

Pam India 1022

ENGLAND'S DUTY TO INDIA.

A LETTER  
TO THE MOST HONOURABLE  
THE MARQUIS OF HARTINGTON,  
HER MAJESTY'S SECRETARY OF STATE FOR INDIA.

BY  
JOHN MURDOCH, LL.D.

MADRAS:  
C. K. S. PRESS, VEPERY.

1881.







8/2  
1906

1/6





WILLIAM D. BULLY TO

A LETTER

TO THE MOST HONORABLE

THE MARQUIS OF SLATTON

AND HIS LORDSHIP'S SECRETARY

BY

JOHN M. BULLY

It is the duty of every man to be true to his conscience and to his country. It is the duty of every man to be true to his God and to his fellow men. It is the duty of every man to be true to his principles and to his honor.

W. D. BULLY

NEW YORK

1871



# CONTENTS.

	<i>Page</i>
INTRODUCTION ... ..	1
Early Aryan Migrations, 1; India, Past and Present, 3; Existing Defects, 6; Native View of Government of India, 6; Nature of Claims Presented, 6; New Departure in Indian Politics, 7.	
PART I.	
WHAT DOES ENGLAND'S DUTY TO INDIA REQUIRE? ...	11
I. India should be governed wisely, 11; Illustrations of ill-judged measures, 12; II. India should be dealt with justly, 31; Examples of "financial sharp-dealing," 31; III. Every effort should be made for India's welfare, 34; Need of an increased food supply, 35; the Development of other industries besides agriculture, 36; IV. India should be governed on the principles of Free Trade, 36.	
PART II.	
THE MEASURES NECESSARY TO SECURE THE FULFILMENT OF ENGLAND'S DUTY TO INDIA ... ..	37
1. India should be governed by men who know her, 37; 2. India should be governed by men who have her interests at heart, 40; 3. India should be governed in India, 41; CHANGES NECESSARY, 45; Limitation of the Power of the Viceroy, 45; Limitation of the Power of the Secretary of State, 46; Preparation of a new India Bill, 49; The Home Council, 50; The Indian Civil Service, 51.	
INDIA'S FUTURE. ... ..	56
THE OPIUM QUESTION.	
Evil effects of the use of Opium, 27; Loss of Revenue how to be met, 28.	



75



# ENGLAND'S DUTY TO INDIA.

---

A LETTER TO THE MOST HONOURABLE,  
THE SECRETARY OF STATE FOR INDIA.

MY LORD,

England's connection with India is one of the strangest chapters in the World's strange history. The immediate subject of this Letter may be fitly introduced by two sketches, each from the hand of a master. The first shows how closely the Aryan nations are allied; the second describes the results of British rule in India.

**Early Aryan Migrations.\***—Thousands of years ago, before Greek was Greek, and Sanskrit was Sanskrit, the ancestors of the Aryan races dwelt together in the high lands of Central Asia, speaking one common language.

The terms for God, for house, for father, mother, son and daughter, for dog and cow, for heart and tears, for axe and tree, identical in all the Indo-European idioms, are like the watch-words of soldiers. We challenge the seeming stranger; and whether he answer with the lips of a Greek, a German, or an Indian, we recognise him as one of ourselves. There *was* a time when the ancestors of the Celts, the Germans, the Slavonians, the Greeks and Italians, the Persians and Hindus, were living together within the same fences, separate from the ancestors of the Semitic and Turanian races.

The Aryans were then no longer dwellers in tents, but builders of permanent houses. As the name for king is the same in Sanskrit, Latin, Teutonic, and Celtic, we know that kingly government was established and recognised by the Aryans at the pre-historic period. They also worshipped an unseen Being, under the self-same name. We have in the Veda the invocations *Dyaus pítar*, the Greek *Zeu páter*, the Latin *Jupiter*; and that means in all the three languages what it meant before these three languages were torn asunder—it means Heaven-Father! Thousands of years have passed away; but when the Aryan nations search for a name for what is most exalted and yet most dear to every one of us, when they wish to express both awe and love, the infinite and the finite, they can but do what their old fathers did

---

\* Abridged from Max Müller's Ancient Sanskrit Literature and Science of Religion.



when gazing up to the eternal sky, and feeling the presence of a Being as far as far and as near as near can be: they can but combine the self-same words, and utter once more the primeval Aryan prayer, Heaven-Father, in that form which will endure for ever, 'Our Father which art in heaven.'

The main stream of the Aryan nations has always flowed towards the north-west. No historian can tell us by what impulse those adventurous nomads were driven on through Asia towards the isles and shores of Europe. The first start of this world-wide migration belongs to a period far beyond the reach of documentary history; to times when the soil of Europe had not been trodden by either Celts, Germans, Slavonians, Romans or Greeks.

The Aryan nations who pursued a north-westerly direction, stand before us in history as the principal nations of north-western Asia and Europe. They have been the prominent actors in the great drama of history, and have carried to their fullest growth all the elements of active life with which our nature is endowed. They have perfected society and morals, and we learn from their literature and works of art the elements of science, the laws of art, and the principles of philosophy. In continual struggle with each other and with Semitic and Turanian races, these Aryan nations have become the rulers of history, and it seems to be their mission to link all parts of the world together by the chains of civilization, commerce, and religion. In a word, they represent the Aryan man in his historical character.

The Hindu, though perhaps the eldest, was the last to leave the central home of the Aryan family. He saw his brothers all depart towards the setting sun, and then turning towards the south and east, he started alone in search of a new world.

The Southern Aryans slowly migrated towards the mountains which gird the north of India. After crossing the narrow passes of the Hindukush or the Himalaya, they conquered or drove before them, as it seems without much effort, the aboriginal inhabitants of the Trans-Himalayan countries. They took for their guides the principal rivers of Northern India, and were led by them to new homes in their beautiful and fertile valleys. It seems as if the great mountains in the north had afterwards closed for centuries their cyclopean gates against new immigrations, while at the same time, the waves of the Indian Ocean kept watch over the southern borders of the peninsula. None of the great conquerors of antiquity—Sesostris, Semiramis, Nebuchadnezzar, or Cyrus, who waged a kind of half-romantic warfare over Asia, Africa, and Europe, and whose names, traced in characters of blood, are still legible on the threshold of history, disturbed the peaceful seats of



these Aryan settlers. Left to themselves in a world of their own, without a past, and without a future before them, they had nothing but themselves to ponder on. Struggles there must have been in India also. Old dynasties were destroyed, whole families annihilated, and new empires founded. Yet the inward life of the Hindu was not changed by these convulsions. His mind was like the lotus leaf after a shower of rain has passed over it; his character remained the same—passive, meditative, quiet, and full of faith.

This graphic sketch is interesting in itself; but it has been introduced mainly to show the Hindu that the European, whom he regards as an unknown and unclean outcaste, is a long-separated brother, who once dwelt with him in the same mountain home.

**India—Past and Present.**—"In what state," says Macaulay, "did we find India? and what have we made India? We found society throughout that vast country in a state to which history scarcely furnishes a parallel. The nearest parallel would, perhaps, be the state of Europe during the fifth century. The Mogul empire in the time of the successors of Aurungzebe, like the Roman empire in the time of the successors of Theodosius, was sinking under the vices of a bad internal administration, and under the assaults of barbarous invaders. At Delhi, as at Ravenna, there was a mock sovereign, immured in a gorgeous state prison. He was suffered to indulge in every sensual pleasure. He was adored with servile prostrations. He assumed and bestowed the most magnificent titles. But, in fact, he was a mere puppet in the hands of some ambitious subject. While the Honorii and Augustuli of the East, surrounded by their fawning eunuchs, revelled and dozed without knowing or caring what might pass beyond the walls of their palace gardens, the provinces had ceased to respect a government which could neither punish nor protect them. Society was a chaos. Its restless and shifting elements formed themselves every moment into some new combination, which the next moment dissolved. In the course of a single generation a hundred dynasties grew up, flourished, decayed, were extinguished, were forgotten. Every adventurer who could muster a troop of horse might aspire to a throne. Every palace was every year the scene of conspiracies, treasons, revolutions, parricides. Meanwhile a rapid succession of Alarics and Attilas passed over the defenceless empire. A Persian invader penetrated to Delhi, and carried back in triumph the most precious treasures of the House of Tamerlane. The Afghan soon followed, by the same track, to glean whatever the Persian had spared. The Jauts established themselves on the Jumna. The



Seiks devastated Lahore. Every part of India, from Tanjore to the Himalayas, was laid under contribution by the Mahrattas. The people were ground down to the dust by the oppressor without and the oppressor within, by the robber from whom the Nabob was unable to protect them, by the Nabob who took whatever the robber had left to them. All the evils of despotism, and all the evils of anarchy, pressed at once on that miserable race. They knew nothing of government but its exactions. Desolation was in their imperial cities, and famine all along the banks of their broad and redundant rivers. It seemed that a few more years would suffice to efface all traces of the opulence and civilization of an earlier age.

Such was the state of India when the Company began to take part in the disputes of its ephemeral sovereigns. About eighty years have elapsed since we appeared as auxiliaries in a contest between two rival families for the sovereignty of a small corner of the Peninsula. From that moment commenced a great, a stupendous process, the reconstruction of a decomposed society. Two generations have passed away; and the process is complete. The scattered fragments of the empire of Aurungzebe have been united in an empire stronger and more closely knit together than that which Aurungzebe ruled. The power of the new sovereigns penetrates their dominions more completely, and is far more implicitly obeyed than was that of the proudest princes of the Mogul dynasty.

It is true, that the early history of this great revolution is chequered with guilt and shame. It is true, that the founders of our Indian empire too often abused the strength which they derived from superior energy and superior knowledge. It is true that, with some of the highest qualities of the race from which they sprang, they combined some of the worst defects of the race over which they ruled. How should it have been otherwise? Born in humble stations, accustomed to earn a slender maintenance by obscure industry, they found themselves transformed in a few months from clerks drudging over desks, or captains in marching regiments into statesmen and generals, with armies at their command, with the revenues of kingdoms at their disposal, with power to make and depose sovereigns at their pleasure. They were what it was natural that men should be who had been raised by so rapid an ascent to so dizzy an eminence, profuse and rapacious, imperious and corrupt.

It is true that some disgraceful intrigues, some unjust and cruel wars, some instances of odious perfidy and avarice stain the annals of our Eastern empire. It is true that the duties of government and legislation were long wholly neglected or carelessly performed. It is true that when the conquerors at



length began to apply themselves in earnest to the discharge of their high functions, they committed the errors natural to rulers who were but imperfectly acquainted with the language and manners of their subjects. It is true that some plans, which were dictated by the purest and most benevolent feelings, have not been attended by the desired success.

All this is true. Yet in the history and in the present state of our Indian Empire I see ample reason for exultation and for a goodhope.

I see that we have established order where we found confusion. I see that the petty dynasties which were generated by the corruption of the great Mahometan empire, and which, a century ago, kept all India in constant agitation, have been quelled by one overwhelming power. I see that the predatory tribes which, in the middle of the last century, passed annually over the harvests of India with the destructive rapidity of a hurricane, have quailed before the valour of a braver and a sterner race, have been vanquished, scattered, hunted to their strongholds, and either extirpated by the English sword, or compelled to exchange the pursuits of rapine for those of industry.

I look back for many years; and I see scarcely a trace of the vices which blemished the splendid fame of the first conquerors of Bengal. I see peace studiously preserved. I see faith inviolably maintained towards feeble and dependent states. I see confidence gradually infused into the minds of suspicious neighbours. I see the horrors of war mitigated by the chivalrous and Christian spirit of Europe. I see examples of moderation and clemency, such as I should seek in vain in the annals of any other victorious and dominant nation.

I see a government anxiously bent on the public good. Even in its errors I recognize a paternal feeling towards the great people committed to its charge. I see toleration strictly maintained: yet I see bloody and degrading superstitions gradually losing their power. I see the morality, the philosophy, the taste of Europe, beginning to produce a salutary effect on the hearts and understanding of our subjects. I see the public mind of India, that public mind which we found debased and contracted by the worst forms of political and religious tyranny, expanding itself to just and noble views of the ends of government and of the social duties of man.

I see evils: but I see the Government actively employed in the work of remedying those evils.\*

This vivid panoramic view has also been presented with a special purpose. Without it the following remarks would give

---

\* From Macaulay's Speeches.



the dark without the bright side of the picture. A sketch, still more in detail and more recent, will be found in Dr. Hunter's *England's Work in India*.

**Existing Defects.**—Macaulay, while showing the beneficent results, on the whole, of British rule in India, acknowledges that there are still evils to be remedied.

Some of the worst evils are old,—caused by our well-meaning but ill-judged attempts for the good of the people. Others are new: some arising, strange to say, from the very excellence of our Government; some from our short-sighted, selfish policy.

Defects, old or new, should, if possible, be corrected. The following remarks are a humble attempt to point out the mode in which this most desirable object can be accomplished. Every recommendation will, in most cases, be supported by the highest authorities. In fact, the whole Letter is little more than a fresh grouping of suggestions which have already been made.

**Native View of our Government of India.**—Rulers and subjects may hold very different opinions with regard to the merits of an administration. Whatever may be the faults of Englishmen, they are generally credited with one good quality, the love of “fair play.” To pass judgment, it is necessary to hear both sides of the case. “It’s a far cry” from India to Britain. Very few persons in England ever see an Indian newspaper or have any means of becoming acquainted with the real feelings of the people of this country. On the other hand, Englishmen have the ear of the Home Government, and can use powerful arguments not easy to be resisted.

The following remarks embody the experience of one who has lived nearly forty years in the East, and who desires to be the exponent of enlightened “Native Public Opinion.” It is always better to know the truth, even if disagreeable, than to live in a fool’s paradise. Discontent may arise from misunderstandings which may be explained; or from just grievances which should be removed.

**Nature of Claims Presented.**—Sir Richard Temple bears the following testimony to the general moderation and good sense of the Natives of India in their memorials for the better government of their country:—

“In most of the capital cities there are Native Associations, formed for the avowed purpose of representing their views, wishes or grievances to the authorities. Several of these bodies can make their voices heard, not only in India, but even as far as England. Such societies are regarded favourably by the Government, as affording the means for legitimately and temperately representing or vindicating the opinions of the Natives. Their memorials and addresses, though some-



times transgressing the limits of propriety, are, as a rule, judiciously reasoned and moderately expressed.”\*

In the following pages nothing will be sought which is inconsistent with “free trade” or “fair trade.” The standard by which every thing will be tried will be that of the great Law-giver: “All things whatsoever ye would that men should do to you, do ye even so to them.” A departure from this is as suicidal as it is wicked. The state of the world, it is true, often fills us with perplexity. Clouds and darkness are round about God’s throne; His way is in the sea, and His path in the great waters. In spite, however, of all appearances to the contrary, there is still a “Reign of Law,” which may best be expressed in the burning words of Kingsley:—

“Foremost among them stands a law which I must insist on, boldly and perpetually, a law which man has been trying in all ages, as now, to deny, or at least to ignore; though he might have seen it if he had willed, working steadily in all times and nations. And that is—that as the fruit of righteousness is wealth and peace, strength and honour; the fruit of unrighteousness is poverty and anarchy, weakness and shame. It is an ancient doctrine and yet one ever young. The Hebrew prophets preached it long ago, in words which are fulfilling themselves around us every day, and which no new discoveries of science will abrogate, because they express the great root-law, which disobeyed, science itself cannot get a hearing.”†

England’s Duty to India means also England’s Duty to herself. In blessing, she shall herself be blessed.

#### NEW DEPARTURE IN INDIAN POLITICS.

Until 1858, the East India Company was able to exert a powerful influence on behalf of India. Its Directors were largely composed of men who knew India, and were deeply interested in her welfare. When it was sought to sacrifice her for political ends, they were often able to interpose with advantage. This bulwark was swept away when India passed directly under the Crown.

The greatest political economist of the nineteenth century, John Stuart Mill, with almost prophetic vision, foretold what would happen:—

“It is not by attempting to rule directly a country like India, but by giving it good rulers, that the English people can do their duty to that country; and they can scarcely give it a worse one than an English Cabinet Minister, who is thinking of English, not Indian politics; who seldom remains long enough in office to acquire an intelligent interest

---

\* India in 1880, pp. 127, 128.

† Limits of Exact Science applied to History.



in so complicated a subject; upon whom the factitious public opinion got up in Parliament, consisting of two or three fluent speakers, acts with as much force as if it were genuine; while he is under none of the influences of training and position which would lead or qualify him to form an honest opinion of his own. A free country which attempts to govern a distant dependency, inhabited by a dissimilar people, by means of a branch of its own executive, will almost inevitably fail. The only mode which has any chance of tolerable success, is to govern through a delegated body, of a comparatively permanent character; allowing only a right of inspection, and a negative voice, to the changeable Administration of the State. Such a body did exist in the case of India; and I fear that both India and England will pay a severe penalty for the short-sighted policy by which this intermediate instrument of government was done away with."\*

It is true that these forebodings were not immediately verified. "For many years," says Sir Alexander Arbuthnot, "after that transfer took place, the propriety, and indeed the necessity, of treating Indian questions, and especially questions connected with the internal administration of India, as a thing apart from parliamentary politics, was recognised by both the great parties in the state. By a tacit but well-understood compact, India was excluded from the arena of party politics in the House of Commons."†

The first great departure from this principle seems to have been during the last Beaconsfield administration. Soon after it came into power, the Secretary of State for India went northward to strengthen his party. He then held out hopes to the Manchester manufacturers of a remission of the cotton duties, on the ostensible ground that they were contrary to the laws of free trade, as soon as the finances could bear the loss of revenue.

Here also, no doubt, there was a "tacit" understanding. But Manchester claimed the fulfilment of the bond, setting at naught the proviso of Lord Salisbury. The following extraordinary course was taken in 1879:—

"The loan operations of the year were to be on so extended a scale that the critical state of Indian finance was at once disclosed, and on all sides the gravity of the situation was at length fully recognised. A loan of 3,500,000*l.* was to be raised in India; 2,000,000*l.* was to be advanced by England to India, free of interest, towards the expenses of the Afghan war; and soon after the budget was introduced at Calcutta, it was announced that the Government would ask Parliament for authority to borrow 10,000,000*l.* in England. But serious as was the state of things disclosed by these exceptionally large borrowing operations, the outlook for the future became far worse when it was seen that in the midst of this embarrassment the Government of

---

\* Considerations on Representative Government, p. 339.

† Quoted in Fawcett's Indian Finance, p. 14.



India were surrounded by influences which compelled them, in the administration of her finances, to sacrifice her interests to the interests of England. Simultaneously with the announcement of the large loan operations which were about to be undertaken, it was stated that the revenue of India, which was admitted to be inadequate to meet the cost of Government, was not to be maintained, but that 200,000*l.* of this revenue was to be sacrificed by a partial repeal of the cotton duties. It need scarcely be remarked that nothing can be more indefensible than to reduce taxes when there is a deficit, and when, consequently, every shilling of the taxation remitted necessitates a corresponding addition to the debt."\*

When one part of the cotton duties was yielded, Sir Alexander Arbuthnot justly said, "the present concession will only encourage further pressure, until the whole of the particular branch of the state revenue which has been the subject of attack shall have been abandoned."

Mr. Fawcett, in his able Essays on *Indian Finance*, urged the impolicy in every respect of giving up the cotton duties. Dr. Hunter concluded his Lectures with the following appeal to Englishmen on what they owe to India:—

"There are some unfulfilled functions which Englishmen in England must with greater fidelity perform. They must realize that the responsibility for India has passed into the hands of Parliament, and through Parliament to the electoral body of Great Britain. They must realise that if, through ignorance or indifference, they fail to discharge that responsibility, they are acting as bad citizens. They must therefore set themselves to learn more about India; they must act in a spirit of absolute honesty towards the Indian finances; and they must deal with Indian questions sent home for their decision, not in the interests of powerful classes or political parties in England, but in the sole interest of the Indian people. I believe that important questions of this sort will before long be submitted to Parliament. When that time comes, if any remembrance of this little book lingers among my countrymen, I hope it may make them more alive to their responsibilities to India, and the more earnest to do their duty by the Indian people."†

The time to which Dr. Hunter refers did come. Parliament had to decide whether a question of great importance was to be settled in the interest of a powerful class at home or in that of the people of India. India was sacrificed, and not a single voice was raised on her behalf. Mr. Stanhope could congratulate Lord Hartington on his adoption of the policy of the Conservative Government as regards the cotton duties.

Both political parties in England may have viewed the

---

\* Fawcett's *Indian Finance*, pp. 3, 4.

† England's Work in India, p. 137.



measure as a triumph of free trade principles. Self-deception is very easy. Bacon says, "Words, as a Tartar's bow, do shoot back upon the understanding of the wisest, and mightily entangle and pervert the judgment."

But, elsewhere, the transaction was regarded in a very different light.

In the seventeenth century, the only teacher of English in India was a ship's washerman, who had picked up a few words. Now, upwards of ten thousand young men go up every year to the examinations of the Indian Universities. There are numerous newspapers conducted by Natives, some in English, some in the vernaculars. Sir Richard Temple tells how earnestly every movement at home regarding India is watched:—

"The reports of Parliamentary debates, concerning India and the East proximately or remotely, are scanned by the Natives with anxious interest. The utterances of English orators or statesmen vindicating the character, conduct, status and interests fiscal and financial, of the people of India, are welcomed by the Natives with a gratitude as deeply felt as it is fervently expressed. The name of any member of either House of Parliament, who by word or deed espouses the cause of the Natives, soon becomes a household word among them. Although benevolence is admitted by them to be a prominent feature of British rule, still after having been for so many centuries the sport of despots, the prey of conquerors and the victims of revolution, they have an eradicable fear that the English nation may prove to be not wholly an exception to the rule of selfishness and harshness which has so often prevailed with foreign and absolute rulers."\*

Mr. Fawcett says, "It is perfectly well known that seldom has any measure been passed which was more disliked by the people of India than the recent reduction of the cotton duties. Sir Alexander Arbuthnot, a member of the Council of the Viceroy, speaking with official responsibility, has said:—

"There can be no doubt that the people of India attribute the action which has been taken by Her Majesty's Government in this matter to the influences which have been brought to bear upon it by persons interested in the English cotton trade, or, in other words, by the manufacturers of Lancashire."

"A measure seriously affecting the finances of India has been, and is being, pressed upon Parliament by a powerful section of the English mercantile community, and the general opinion is that that pressure has so far produced an effect that at a juncture of the gravest financial difficulty and anxiety the Government of India has been impelled to incur a sacrifice of revenue which the most ordinary considerations of financial prudence should have led it to retain."†

---

\* India in 1880, p. 126.

† Indian Finance, pp. 13, 14.



Sir Alexander Arbuthnot, in the above remarks, truly expresses the feelings of the people of India with regard to the reduction of the cotton duties. They consider that the first principles of political economy have been violated, and the interests of their country sold, for the Manchester vote, by Conservatives and Liberals in succession. In bitterness they have said, "Put not your trust in princes."

A course which might have been taken half a century ago without awakening discontent, cannot now be pursued without political evil. The object of the following remarks is to endeavour to show what measures are necessary on the part of the Home Authorities to have a loyal and prosperous people in Her Majesty's Indian Empire.

Observations may be arranged under two principal heads, each of which will be noticed in turn.

### PART I.

#### WHAT DOES ENGLAND'S DUTY TO INDIA REQUIRE ?

Probably the greatest sufferings of the people under our rule have arisen from our ignorant attempts to benefit them. We have too often been like unskilful physicians, aggravating by our treatment the disease we intended to cure. As the late Mr. Mead, a well-known Indian publicist, remarked, "We have done evil by premeditation, and good by instinct." Hence the following essential is placed first :—

##### I. *Duty to India requires that she be governed wisely.*

Sir Thomas Munro was one of the most sagacious statesmen India ever had. He has the following remarks on this subject :—

"One great error in this country during a long course of years, has been too much precipitation in attempting to better the condition of the people, with hardly any knowledge of the means by which it was to be accomplished, and indeed without seeming to think that any other means than good intentions were necessary."\*

Mr. A. O. Hume, C. B., late Secretary to the Government of India in the Department of Revenue, Agriculture, and Commerce, says :—

"Brimful of philanthropy, we could not let well alone, or indeed believe that anything could be well done for others, which was not in accordance with what we thought good for ourselves. With our innovations, our exotic systems of land and law, we have dissolved the bonds of society, we have turned peace into war, we have arrayed every class against that on which it was most dependent, capitalists against landholders, landlords against tenants, every man almost against his fellow.

---

\* Quoted in Cunningham's *British India and its Rulers*, p. 287.



"There is not, I believe, a single wise and good Native of India who will not freely admit that, whatever the failings and shortcomings of individual officers, the motives and intentions of the British Government, where India is concerned, have, on the whole, been pure and noble. But I fear that there is not one who would not condemn, in terms stronger than I have the heart to use, the cruel blunders into which our narrow-minded, though wholly benevolent, desire to reproduce England in India has led us."\*

A few examples may be given to show the need of experience and wisdom in the government of our Indian Empire.

1. *The Permanent Settlement of Bengal.*

Lord Cornwallis, Governor-General, who died in 1793, possessed considerable powers of mind, and was truly benevolent. He had, however, great confidence in his own judgment, and made it a condition of office that he should be able to override the decisions of his Council.† When he proposed his scheme for the Permanent Settlement of India, he was warned of the evil effects which would result from it, notwithstanding all the "Regulations" by which he hoped to protect the ryot. In spite of what was urged, he carried out his scheme over a large part of the Bengal Presidency. His death happily prevented its extension to other Provinces.

Mahmud of Ghazni made twelve invasions into India, plundering its richest cities and shrines; Nadir Shah sacked Delhi, and bore away the famous peacock throne of the Great Moguls. The vast treasures carried off by both do not equal the loss already sustained by the British Government through the Permanent Settlement. What must it be as ages roll on! And the worst feature of the case is, that there is no apparent remedy.

But the pecuniary loss is a trifling evil compared with other results. The Hon. H. S. Cunningham is one of the Judges of the Calcutta High Court, and was a member of the late Famine Commission. He may be regarded as one of the best authorities on the subject. The following extracts are from his recent work, *British India and its Rulers*:—

"Niebuhr's sneer at the Permanent Settlement as 'one of the most unfortunate, but best intentioned schemes that ever ruined a country,' seems scarcely to exaggerate the deplorable condition into which large portions of the Bengal tenants have been reduced by a century's experience of a measure which its authors believed would make them the happiest tenantry in the world."

"Scarcely had the measure been got into working when the difficulties, predicted by Mr. Shore, began to render it abortive."‡

\* *Agricultural Reform in India*, pp. 68, 69.

† *Cunningham's British India and its Rulers*, p. 63.

‡ *Ibid.* pp. 182, 183.



It is grossly unjust to other parts of India :—

“Ryots have been toiling in Madras and starving in the Deccan, in order that gentlemen, like the Rajahs of Durbhanga and Burdwan, may enjoy incomes of several hundred thousand pounds a year free from the rude contact of the tax-collector's hand.” p. 169.

In the richest province of India large classes have been brought to “the level of poverty-stricken and rack-rented tenants at will.”\* The Rent Commissioners of 1879 declare that the present state of things, if unchecked, will reduce “the whole agricultural population to a condition of misery and degradation.”†

It is but natural that the zemindars of Bengal, to whom the British Government sold the ryots “for nought,” should take a very different view of the Permanent Settlement, but the above expresses the opinion of disinterested men on the subject.

Our Revenue Settlements in other parts of India, though not attended with the same gross injustice, cannot be pronounced a success. We have been trying hard to improve the relationship between the ryots and their money-lenders; but it is considered doubtful whether in seeking to remedy one evil we have not produced a greater.

## 2. *Unjust and Disastrous Wars.*

In 1838, Sir John Hobhouse was President of the Board of Control, and Lord Auckland was Governor-General. Dost Mahomed, Amir of Cabul, had asked Lord Auckland to protect him against the Sikhs. On his refusal, he sent an envoy to the Emperor of Russia, who, in return, despatched an officer with presents to Cabul. Dost Mahomed assured Captain Burnes, the British Agent at Cabul, that he was ready at once to dismiss the Russian envoy if Lord Auckland would hold out to him any hope of support. But Sir John Hobhouse and Lord Auckland both wished to adopt a “spirited foreign policy”—to compel the Persians to raise the siege of Herat, to drive Dost Mahomed from Afghanistan, and to place Shah Sujah on the throne. “Lord William Bentinck considered the project an act of incredible folly. Lord Wellesley regarded this wild expedition, 800 miles from our frontier and our resources, into one of the most difficult countries of the world, a land of rocks and deserts, of sands and ice, and snow, as an act of infatuation.”

Lord Auckland was on the frontier, and did not consult his Council. Yet he acted as follows :—

“An attempt was made to justify the expedition in a manifesto, dated at Simla the 1st October, 1838, one of the most remarkable documents in the Company's archives, unique for its unscrupulous misstate-

---

\* Cunningham, p. 237.

† Hunter's *England's work in India*, p. 98.



ments and its audacious assertions. A single instance will suffice to stamp its character: it affirmed that the orders for assembling the army were issued in concurrence with the Supreme Council, whereas the Council, when required to place the proclamation on record, remonstrated on the consummation of a policy of such grave importance without their having had any opportunity of expressing their opinion on it."\*

We spent about fourteen millions sterling; we lost 15,000 men in the gorge of Khoord Cabul; and the whole ended in the order, "As you were!"

Perhaps there never was a clearer case of history repeating itself than in the second Afghan war. The British Ministry of the day no more profited by the lessons of the first than if its records had been as completely lost as the missing books of Livy.

Sir R. H. Davies, Lieutenant-Governor of the Punjab, warned Government that "Sir H. Rawlinson's proposals would again plunge us into the ever-shifting sands of Central Asian intrigue at a cost which we cannot afford." Lord Lawrence and Lord Northbrook cautioned the Beaconsfield administration, just as Lord William Bentinck and Lord Wellesley did that of Viscount Melbourne. A quarrel was picked with poor Shere Ali, and we all know too well the result.

3. *Lord Mayo's proposed Agricultural Department set aside by the Secretary of State.*

Lord Mayo was probably the only Governor-General of India who ever farmed for a livelihood. "Many a day," he used to say, "have I stood the livelong day in the market selling my beasts."† He felt that improved agriculture was the greatest need for the "material" progress of India. Dr. Hunter has the following remarks:—

"We speak of the poverty and the miserably small farms of the Irish peasant. Well, Ireland has, according to the last census, 169 persons to the square mile. But we can take thirteen districts of Northern India, equal in size to Ireland, which have to support an average of 680 persons to the square mile, or over one person to each acre. This calculation, it must be remembered, allows no deduction for swamps, wastes, and land incapable of tillage. The Famine Commissioners report that two-thirds of the whole farmers of Bengal have holdings of between 2 and 3 acres. If we allow four persons to each peasant family, we find 24 millions of human beings struggling to live off the produce of 15 million acres, or just over half an acre apiece. The Indian soil cannot support the struggle."‡

Lord Mayo drew up a most comprehensive and well-devised

---

\* Marshman's History of India, p. 392.

† Hume's Agricultural Reform in India, p. 22.

‡ Hunter's England's Work in India, pp. 62, 63.



scheme for the agricultural improvement of India, explained in Mr. Hume's *Agricultural Reform in India*. The Secretary of State ruled that *Revenue*, not *Agriculture*, should be the main object of the new Department. Lord Mayo's scheme was so mutilated that the poor rump became an object of derision, and finally received the *coup-de-grace*. Thus the fairest scheme for the relief of India's starving millions was ruined by a man who had never set a foot on its shores.

#### 4. *Ill-judged Taxation.*

Mr. Fawcett quotes the maxim of a great statesman, "*Finance is the key of England's position in India.*" As errors in taxation have been the *fons et origo* of most of the mischief we have done in India, the subject will be noticed at some length.

**Principles of Indian Taxation.**—The first essential to good government is to have a loyal and contented people. *Fiat justitia, ruat coelum*. But apart from this, every concession should be made. "In considering questions of taxation," says Mr. Fawcett, "nothing can be more unwise than to conclude that that particular tax must be the best which is most in accord with the principles of economic science. The tastes, the habits, and the wishes of the people on whom the tax is to be imposed ought to be most carefully considered."\* Any Government that substituted for old taxes which were willingly paid new ones which excited a spirit of discontent and sedition, would pursue a course worthy only of "lunatics."† It would be small comfort to the people if they knew that their rulers erred through ignorance; but if they suspected them of acting from selfish ends, the evil effect would be greatly aggravated. The case may be better explained by an illustration.

Suppose that Ireland was more divided from England than at present, and had a separate system of finance. At a time when she was recovering from a severe famine and the revenue was much below the expenditure, the English Ministry directed the Lord Lieutenant to remit a tax which the people willingly paid, and levy another which was most unpopular. Suppose that the Irish knew that this was done in the interests of English manufacturers to secure their support, what would they think of the conduct of the English ministry? what would the English people think? What would the civilised world think?

The Indian Government was compelled to pursue exactly the policy which has been described.

It is true that the people of India are not yet so excited against us as the Fenians. Still, the difficulties of our position are

---

\* Indian Finance, p. 77.

† This term is borrowed from Mr. Bright. See *Quarterly Review*, July, 1881. p. 273.



great. In the sight of genuine Hindus our very shadow is pollution; in the eyes of Musalmans we are infidel dogs, who have robbed them of empire. We are bound by every consideration to be conciliatory.

We might not establish a single school in India; we might not open a single mile of road; we might tax land and salt as at present; we might leave millions to perish of famine, and they would lie quietly down to die. All these put together would not cause disloyalty; they are only what the people were accustomed to under their own rulers. But the case is different with *new* taxes. Mere English financiers do not understand this, saying, with the late Mr. James Wilson, "Human nature is the same everywhere." Sir Charles Trevelyan gave the explanation:—

"All people are, of course, averse to taxes; but the native feeling in reference to the imposition of new taxes is different in kind from this, and is not so destitute of reason as may at first sight appear. The Natives of this country have always lived under despotic governments, and in the absence of any better means of placing a limit upon the exactions of their rulers, they have been accustomed to take their stand upon long established practice, which they regard as we do our ancient hereditary privileges. Hence it has always been observed that while they are extremely patient under established grievances, they are always disposed to meet new impositions by active or passive resistance."

As already stated, in India the political effect of a tax has *first* to be considered. If it occasion disloyalty, it is to be condemned however unobjectionable in other respects. But if contrary to the first principles of economic science, so much the worse.

It will be conceded that to govern a country, money is indispensable. Britain has about 40s. a head, nearly all drawn from luxuries; the Indian Finance Minister, from all sources, has only about 3s. 8d. a head.\* If only luxuries were taxed in India, government would be simply impossible.

The one free luxury in India is tobacco. Mr. Wilson, with English ideas, wished to levy a tobacco tax. It was opposed by Lord Lawrence and all men acquainted with the country.† Tobacco could be grown in every man's garden. To prevent its being raised illicitly would have required a whole army of excise officers, costing more than the entire proceeds of the tax, while the people would have been irritated beyond endurance.

At the last Budget debate, Alderman Fowler condemned

---

\* Hunter's *England's Work in India*, p. 103.

† See Fawcett's *Indian Finance*, pp. 61, 62.



the salt tax. In the interests of the poor in India, I should not urge its abolition. It yields about 7*d.* a head a year, or a total of about 7 millions. The income tax in India realised only about 1½ millions. If Government gave up the salt tax, all construction of roads, railways, and irrigation works must cease. Over a great part of the country, salt, a few years ago, was much dearer than at present. In the absence of roads, it had to be carried into the interior on bullocks, the transit charges raising the price enormously. Develop the resources of India by means of the salt tax, and soon its incidence will be lightly felt.

The following principles of taxation\* will be generally admitted to be correct :—

(a.) *A tax should be fair.*—An income tax is by many considered a tax of this nature. The contrary may be shown by quotations from the best writers on political economy.

Mr. Fawcett thus points out its inequality :—

“A and B, we will suppose, are two landowners; each of them possessing a freehold estate worth 1000*l.* a year. A is a bachelor, and never intends to marry; B has ten children, besides a great number of poor relations depending upon him. Now, unless the signification of words was severely strained, it could not be maintained that B's means were equal to those of A; and yet no system of taxation which has ever been proposed, would exempt B from a tax which A was bound to pay, simply on the ground that B had a large family, and A had no children. In fact, under every system of taxation which prevails in any country at the present time, B would pay a greater instead of a smaller amount in taxes than A; for B, having a larger establishment than A, would purchase a greater amount of the commodities to be taxed.”†

Mill states other objections to an income tax :—

“The burthen cannot be apportioned with any tolerable approach to fairness upon those whose incomes are derived from business or professions.

“The tax on whatever principles of equality it may be imposed, is in practice unequal in one of the worst ways, falling heaviest on the most conscientious.

“This tax, while apparently the most just of all modes of raising a revenue, is in effect more unjust than many others which are *prima facie* more objectionable. This consideration would lead us to concur in the opinion which, until of late, has usually prevailed—that direct taxes on income should be reserved as an extraordinary resource for great national emergencies, in which the necessity of a large additional revenue overrules all objections.”

---

\*Adam Smith and Jevons have been used as well as the writers expressly quoted.

† Manual of Political Economy, p. 521.



(b.) *The convenience of tax-payers should be consulted.*—Taxes upon consumable goods are all finally paid by the consumer, and generally in a manner that is very convenient to him. He pays them by little and little, as he has occasion to buy the goods.

(c.) *Taxes should be economical in collection.*—Every tax ought to be so contrived as both to take out and to keep out of the pockets of the people as little as possible over and above what it brings into the public treasury. Thus a tax should not be imposed if it would require a great many officers to collect it, and thus waste much of what is collected.

(d.) *Taxes should be as widely distributed as possible.*—Men must have food, and, if possible, they will have clothing. If the whole burden of taxation is laid upon the food, it must press more heavily than if it were laid partly on the clothing.

(e.) *The rich ought not to be relieved from taxation at the expense of the poor.*—It would be considered outrageous in England if bread and salt were heavily taxed, while silk dresses could be imported free. Yet the British Government virtually demands that a similar course be pursued in India. Mr. Fawcett thus refers to the repeal of the cotton duties :—

“It is moreover particularly worthy of remark, that the repeal of these duties must certainly tend to create greater inequality in the incidence of taxation in India. It will be generally admitted that, owing to the difficulty of imposing taxes which reach the wealthy classes, an unduly large part of the revenues of India is contributed by those who are extremely poor. As the cotton duties are now almost entirely imposed on the finer sorts of goods, which are chiefly consumed by the rich, it is obvious that the repeal of these duties, would reduce the amount of taxation paid by the wealthy, and would consequently still further increase the inequality in the taxation borne by the poor.”

(f.) *Annoyance and oppression should be avoided as much as possible.*—Mill says : “An Englishman dislikes, not so much the payment, as the act of paying. He dislikes seeing the face of the tax-collector, and being subjected to his peremptory demand.” This natural feeling is intensified under a foreign unpopular rule. But besides this, it is almost impossible to avoid fraud and oppression on the part of the underlings who collect direct taxes.

The British Government, of late years, has been violating nearly every one of the above principles of taxation in some of its measures.

**Direct Taxation.**—Not long after India came under the Crown, Manchester began to agitate for the repeal of the cotton duties. The *Economist* had the following :—

“It is of the last importance that the question whether a direct taxation of the rich Indian nation is possible or not possible should



now be decided fairly and conclusively. Upon this depends not only the present state of Indian finance, but the future. We are now maintaining protective duties *against our own* manufactures in favor of Indian manufactures; we are injuring the English to benefit the Hindoos. If the Income-tax or any oriental adaptation of it can be permanently maintained this would be unnecessary: if direct taxation is to be abandoned, we must go on as now." November 8, 1862.

Mr. James Wilson, the first English Finance Minister, in accordance with the wishes of Manchester, tried the "direct taxation of the rich (!) Indian nation."

Mr. S. Laing, his successor as Finance Minister, thus showed the evil results of his measures:—

"Among the native classes, although Lord Canning's wise policy of sanctioning the right of adoption had to a great extent conciliated the princes and nobles, a vast amount of smothered discontent existed among the smaller landholders, the trading classes, and the mass of the population, owing to the imposition of the Income-tax, the threat of the License-tax, and the general fear of an indefinite succession of new and unpopular taxes—a fear which was made the most of by every agitator hostile to British rule.

"The extent of this feeling has, I think, never been properly understood in England, where the Income-tax and License-tax have been looked upon, from an English point of view, as equitable in theory, and open to no greater objections in practice than similar taxes would be in England. But there is no sort of analogy between the practical working of such taxes in England and in India. In India, the attempt at classification is an infinitely greater evil than the direct incidence of the tax. The Income-tax required 700,000 or 800,000, the License-tax would have required 5,000,000 or 6,000,000 tax-payers, to be assessed or arranged in classes after more or less investigation into their means.

"Such an enquiry could only be conducted by a large staff of subordinate native officials on low salaries. It is absolutely certain that it must call forth a vast amount of annoyance, chicanery, evasion, oppression, and extortion. Nor were these apprehensions chimerical; on the contrary, we were warned from all quarters by our most experienced officers, and most of all by influential natives whose fortunes were bound up with ours, and whose loyalty we could not doubt, that a great change was taking place in the feeling of large classes of the native population towards us, owing to the incidence, and still more to the apprehension of new taxes. I shall never forget the emphatic observation of Lord Canning at the first interview I had with him; that he deeply regretted the necessity which compelled him to impose the Income-tax; and that, to use his own words, 'danger for danger, he would rather risk governing India with 40,000 European troops, without new taxes, than with 100,000 with them.'"



"If an impression prevails here that the new taxes were a success, and the principal means of restoring the finances of India, it is important to contradict it. The deficit of 10,790,000*l* in 1860 was converted into a surplus of 1,400,000*l* in 1862, by reductions of more than 8,000,000*l* in Military and other expenditure in India, open to revision, and by the addition of upwards of 2,000,000*l*. to revenue from existing sources, such as land, excise, salt, and stamps which were scarcely felt; whilst not above 1,500,000*l*. net was realised by the new direct taxes on the English model, which convulsed Indian society."

Lord Canning's opinion is quoted above by Mr. Laing. Mr. Fawcett gives more recent views:—

"It is well known that an equally strong opinion as to the peril of adding to the taxation of India was expressed by Lord Mayo, a Viceroy who was alike distinguished for prudence, courage and common sense. He had the sagacity to see that taxation in India could not be regarded as simply a financial question, but that it involved political consequences of the gravest moment. In a passage which has been often quoted, he said that it was almost impossible to exaggerate the discontent which was produced among all classes in India, both European and native, by the 'constant increase of taxation, which had for years been going on.' Deaf to these warnings, instead of any thing effectual having been done to arrest the growth of taxation the financial position of India now is far more unsatisfactory than it was in Lord Mayo's time. Not only has there been an increase of Imperial taxation—new and irritating taxes, such as the license tax, have been imposed—but in recent years the country has been enveloped in a net-work of local taxation. Lord Northbrook, in August, 1878, in presenting an important petition from India in the House of Lords, endorsed the statement that, 'within the last seven years, in Bengal alone, there has been an increase of about a million, and for the whole of India more than three millions, per annum, by provincial taxation.'"\*

Taxation is taxation under whatever name it may be called. The burden is not lightened to the payer of two License Taxes by telling him that one is Provincial and the other Imperial.

Lord Northbrook himself felt the evil as acutely as Lord Mayo, and one of his earliest steps was to abolish the Income Tax. Its remission was gratefully felt by the whole people. When in his tours he was greeted with triumphal arches, the favourite inscription was, "HE GAVE THE LAND REST."

**Repeal of the Cotton Duties.**—A somewhat minute account will be given of the efforts which led to the partial repeal of these and which threaten their entire abolition. The very important principle is also involved, whether India is to be governed for her own good or in the interests of home manufacturers.

The rôle of a very candid friend is not very agreeable to those

---

\* Fawcett's Indian Finance, pp. 68, 69.



favoured with his views of their conduct. It is not likely that any prefatory remarks of mine will appease Manchester, but perhaps they may weigh a little with others.

Even-handed justice is all that is asked. The Indian Government should not favor India any more than England. I sympathise as much with the poor of my own country as I do with those here. I am a native of Glasgow, a great seat of cotton industry. Some of my earliest recollections are the bells summoning the poor children to go out to labour in the cold, dark, winter mornings, and the gleaming lights of the factories at a late hour when wearied limbs should have had repose. I am proud of the noble conduct of the cotton operatives of England during the American war. When their children asked bread and they had none to give, they refused to seek relief at the expense of freedom. What the cotton manufacturers have done to raise Britain to the position she once occupied, is a matter of history. Give Englishman and Hindu each a fair field, and *palmam qui meruit, ferat*.

Although the cry of "Protection" has been raised, the following official declaration is true: "The Government of India does not impose or maintain customs' duties for the purpose of affording protection to any branch or class of industry, but for revenue purposes only."

Long before India had a single power loom a small import duty was charged on cotton goods like other British manufactures. When Sir Charles Trevelyan was Finance Minister, Manchester sought to have it repealed on the plea that it was protective in favor of hand-loom weavers. Sir Charles replied that English merchants in India, best acquainted with the country, had not asked for a repeal of the duty.

The cotton famine during the American war led to the adulteration of English goods.

Some cloth came out mildewed, and went to pieces like paper. Home manufacturers attributed it to defective ventilation on shipboard; the rumour in India was that it arose from "damp-cellars" in which goods were kept to absorb moisture to bring them up to the desired weight.

Oversizing and the use of China clay was another complaint. A Native might buy what seemed a substantial piece of cloth, but when washed, alas! what a change!

There was thus a growing dissatisfaction with English goods, while the increasing intelligence of the people led them to wish to manufacture for themselves. Spinning mills began to be established, chiefly in Western India, but by degrees in other parts of the country.

In 1874, Mr. Ashburner, Revenue Commissioner, Northern



Division, was led to address the following letter to the Bombay Government:—

“I have the honour to urge upon Government the necessity of an Act for the prevention of fraudulent preparation of cloth by means of China clay, and other chemical compositions, for adding to the weight of cloth made in the local mills.

“2. There are or will shortly be, I am told, half a million of spindles making cloth in Bombay, and other mills are being erected in Guzerat and Khandesh. This industry has been created in a great measure by the dishonest practices of the Manchester spinners. It promises to be of very great importance to the whole of India and China, but it will perish in the infancy if not protected from the fraudulent packing and preparation which has done so much injury to the trade of Manchester. The short-stapled cotton of India is suited to the manufacture of nine-tenths of the cloths in use throughout the country, and there is no reason why Western India should not supply the whole of the East with cotton cloth if provision can only be made to ensure that it does not contain 30 per cent. of China clay. I need not enlarge on the importance of fostering a manufacturing industry in a country where so large a proportion of the population depend on the cultivation of the soil for their daily bread.

“3. Adulteration of cloth can be prevented now with ease by a Legislative Act, but if the subject is neglected, fraud will become the custom of the trade as in Manchester. Each owner of a mill, having once tasted of the forbidden fruit of fraudulent adulteration, will consider himself very hardly treated if he is deprived of the privilege of imposing upon ignorant people and selling them China clay at the price of sound cloth, and there will be the usual outcry of Government interference with honest traders.

“4. The result of non-interference may be seen in Manchester at this moment: half of its mills are working short time, and actually obliged to disguise their cloths with American frauds in order to effect a sale in the China and Indian Markets. To such an extent has adulteration of cloth been carried in Manchester that the preparation of adulterating size has become a separate trade, and the newspapers a few months ago contained an advertisement recommending a particular preparation for sizing cloth because it added 37 per cent. to its weight. I am told that several of the Bombay mills are already beginning to emulate the dishonesty of the Manchester trade, so that no time should be lost in checking the growing mischief.”\*

Mr. Ashburner's letter seems to be confirmed by the official “Statement of the Trade of British India for the five Years ending 1874-75.” It contains the following:—

“But the cause of the decline in the demand for English cotton

---

\* Quoted in *Native Opinion*, December 23, 1874.



goods, and the prices given for them—a decline so steady and persistent that it has again been found necessary to reduce the tariff values of these articles,—does not lie alone in speculative overtrading and the consequent glutting of the markets. Another important cause must be sought in the inferiority of the goods, the quality of which, it is alleged, has much deteriorated of late, the practice of sizing having been carried to an extent which has given occasion for great complaint in the Indian and Chinese markets.” p. xlviii.

Cotton manufacturers, I believe, defended oversizing on the ground that they were asked by their constituents to send out goods of a certain weight and price, which it was impossible to do without adulteration. A consul considered it quite honest, for a “heathen Chinese” knew that goods could not be supplied at the rate he gave without the use of clay.

Manchester manufacturers, suffering from the effects, in part at least, of their own conduct, raised louder than ever the cry that the Indian cotton duties were protective. As already mentioned, Lord Salisbury, beating about for political support, lent a ready ear, and instructions were sent out about their repeal.

Lord Northbrook was then Governor-General. Every one in India acquainted with the circumstances of the case knew that the duty, except at least to a very small extent, was not protective as alleged.\* The Indian spinning mills produced only the coarse goods from short-stapled cotton, formerly made by hand-loom weavers, worn by the poor; while imported goods, from long-stapled cotton, were worn by persons in better circumstances.

But other considerations had to be taken into account besides the ignorant and selfish claims of Manchester. The cotton duties yielded about £800,000 a year, forming the most important item of the Customs’ revenue. Lord Northbrook expressed the following opinion:—

“His Excellency observed that it would be difficult to replace so large an amount of revenue except by an excise duty on tobacco or by some kind of direct taxation—and to substitute direct taxes or new excise duties for the customs’ duties which are now imposed upon foreign goods, seemed to his Excellency to be a policy which would be contrary to the interests of the people of India, and which no statesman with a knowledge of India and a sense of responsibility would be found to propose.”

Lord Northbrook, however, went as far as he possibly could. By Act XVI. of 1875, the import duty of  $7\frac{1}{2}$  per cent on a few kinds of manufactured goods was reduced to the general rate of 5 per cent; the tariff valuation was also lowered. Twist

---

\* This will be shown hereafter by Manchester’s own confession.



paid as before  $3\frac{1}{2}$  per cent. Indian goods, as a rule, to compete with Manchester goods, would require to be made of imported long-stapled cotton. Lord Northbrook removed all just ground of complaint by following the course thus recommended by Mill:—

“Taxes on commodities, for revenue purposes, must not operate as protecting duties, but must be levied impartially on every mode in which the articles can be obtained, whether produced in the country itself or imported.”

An import duty of 5 per cent. was imposed on raw cotton, not the produce of Continental Asia or Ceylon—that is, on long-stapled cotton.

But Manchester, as might be expected, was not satisfied with this concession. The following year Lord Northbrook resigned, it is believed, rather than take part in an unjust Afghan war.

The considerations which weighed with Lord Northbrook in opposing the repeal of the cotton duties did not weigh with his successor, who proved a willing instrument to carry out the designs of his party.

Manchester used pressure which may be understood without explanation. The Secretary of State wrote out as follows: “The interests of India imperatively require the timely removal of a tax which is at once wrong in principle, injurious in its practical effects, and self-destructive in its operation.” “Measures for the abolition of these duties should have priority over every other form of fiscal relief to the Indian tax-payer.”

All this “hot haste” was dictated by the purest feelings of benevolence towards the people of India, who, quite unconsciously to themselves, were grievously oppressed by a tax so highly to be condemned on every account.

When such stringent orders were received, India was suffering from the effects of a severe famine, and the Afghan war was being carried on, involving a ruinous expenditure. Notwithstanding the heavy deficit, a tax which the people scarcely felt, was to be remitted and one of a most unpopular character substituted. The majority of the Viceroy's Council refused to consent, but Lord Lytton, legally or illegally,\* by executive orders, made further remissions.

Meanwhile Manchester had made a discovery. The cotton duties, supposed to protect Indian industries, in reality protected one class of Manchester goods against another! But their total repeal was demanded all the same. Lord Hartington was as

---

\* This point will be noticed again and opinions cited.



compliant as Lord Salisbury, only pleading for a year's delay. The case may be stated in his Lordship's own words :—

“There is one subject with which I regret to say we are unable to deal in the present year. I refer to the cotton duties. The total loss in 1878-79 was £170,000, and in 1880-81 it was £120,000. The loss on grey goods dealt with a few years ago was heavy. The loss on the goods specially dealt with was in 1878-79 £210,000, and in 1880-81 £320,000; and the estimated income derived from grey goods does not exceed £100,000 a year. I need not point out to the House that very considerable inconvenience is caused to trade by the inspection and examination which are necessary under the present system. Often the minute examination which was necessary was somewhat vexatious, but the interference with trade is very great. The result of the interference is shown by the figures. Before the remission, when all—I am speaking of grey goods—were equally taxed, the value of this class of goods was 95 per cent. of the whole of the goods. Since the remission the value of the goods which are still liable to duty has fallen to 26 per cent. from 95 per cent. There can be no doubt as to the effect on native manufacture. It has, I believe, almost altogether disappeared. The natives manufactured coarser goods, and therefore they are exposed to the whole of the Lancashire manufacture. But the effect is that while protection has been withdrawn from native industry, a sort of protection has been given to one class of English goods against another. The coarser goods are now protected or stimulated by free admissions, while finer goods are still taxed. It seems to me absolutely impossible that this condition of things can be permitted to continue. (Hear.) I regret that it should have been thought necessary to continue it even for another year. It is a state of things unfair to the manufacturers and injurious to the Indian consumer. What has happened? The whole case has been changed by our system, and by the peculiarities of the tariff the Indian consumer is now forced or induced, not to take that class of English goods which he prefers, but that class which the English manufacturer is able, owing to the peculiarities of the tariff system, to supply to him most cheaply. Under this condition of things I believe many mills in Lancashire are actually standing still, because they are unable to produce with their existing machinery that class of goods which is now admitted free. They have been beaten out of the market by the coarser qualities.”

The *Hindu Patriot*, the most influential Native journal in India, thus comments upon the proceedings :—

“What a confession! The cotton duties were first reduced, because it was alleged they tended to protect Indian cotton fabrics, and they are now to be totally repealed, because they serve to protect one class of English manufactures to the prejudice of another. If this is the result, who is responsible for it? Who has brought about this embarrassing situation? What a triumph is this of the



financial skill, statesmanship, and honesty of England! We should only behold and admire!" Sept. 19, 1881.

Justice Cunningham says, "The whole customs' income, except that on wine and spirits, is doomed."\* Such a step would be so fatal to the progress of India that, though involving some repetition, further remarks will be made on the subject.

As already stated, the whole is not simply a question of cotton duties, but a principle of vital importance—whether India is to be governed in the supposed interests of powerful classes in England or for the good of its people?

**Reasons for Retaining Import Duties.**—The Indian Government must have more money. Dr. Hunter says:—

"It is easy to govern efficiently at a cost of forty shillings per head as in England; but the problem in India is how to attain the same standard of efficiency at a cost of 3s. 8d. a head. That is the sum in proportion which one finance minister after another is called to work out. Every year the Indian finance minister has to provide for more schools, more police, more courts, more hospitals, more roads, more railways, more canals. In short, every year he has to spend more money in bringing up the Indian administration to the English standard of efficiency." p. 117.

"No severity of retrenchment in the civil expenditure, no re-organization of the military establishments, will suffice to meet the outlay thus involved. In India there is a necessity for a steadily increasing revenue, and there is no use in shirking the fact." p. 121.

Where is the money to come from?

The Land Tax is the sheet anchor of Indian finance, but only a very slow increase in this can be expected. None can be yielded by the richest districts which have been permanently settled. Some provinces have a thirty years' settlement; but at any re-assessment there will probably be a reduction rather than an increase. Practically, through the depreciation of silver during the last few years, the Land Revenue has been considerably diminished.

With regard to the Salt Tax, Mr. Fawcett says, "Although a small increase of revenue may be derived from an increase of population, yet nothing could justify an attempt to obtain an additional revenue from salt by raising the rate of the existing duties."†

In England the excise, during 1879-80, yielded 25 millions out of 81 millions of revenue. In India, during 1878-79, the amount, happily, was only about 2½ millions out of 58 millions.‡

---

\* British India and its Rulers, p. 146.

† Indian Finance, pp. 34, 35.

‡ Statistics from Whitaker's Almanack for 1881.



There is a strong public opinion against the multiplication of spirit-shops and opium-smoking dens—a feeling which is shared by the Indian Government. It is hoped that there will be little increase under the head of Excise.

There remains the Opium Revenue, amounting in 1879-80 to about 8 millions net, or next to the Land Revenue.

The Hebrew prophet said, "Woe unto them that call evil good." Some men have tried to gloss the opium trade, but the evidence on the other side is overwhelming. "I speak what I do know; I testify that I have seen." Nearly a quarter of a century ago, I stumbled upon an opium den in British Burma: never shall I forget the scene of degradation then witnessed.

The Rev. Dr. Thoburn, a well-known and respected American Missionary, has been personally visiting the opium shops in Calcutta, and describing minutely what he saw. Here is a picture from Bentinck Lane, almost within shadow of the Vice-regal Palace, Calcutta:—

"It was a more respectable place than any I had yet visited, and yet it was wretched enough. Three Chinamen and twenty-seven Indians were smoking. The Chinamen were miserable looking creatures, emaciated, dull, and half torpid. The natives were of various classes and in various stages of progress in the opium habit.

"I spoke freely in this shop about the evils of the opium habit, and, as nearly always happens, the smokers readily agreed with me. One man said, 'It brings us all to poverty, and then makes us thieves and swindlers. We cannot do without opium, and we cannot get enough of it, and in order to get it we will steal or *do any thing*. We all become poor. We lose every thing, and are ruined.' Most of those present applauded this speech with an emphatic '*true!*'

"The men in this shop, like those in the first visited, inquired eagerly for some medicine to cure them of this habit. This inquiry nearly always takes precedence of every other when I talk with them."

In another shop Dr. Thoburn says:—

"Most of the men present were Mahomedans, and when I asked them if the Koran did not forbid this vice they readily admitted it, and began to make various excuses, among others that the shop was maintained by Government and could not be wrong. The Chinese proprietor defended himself stoutly on this ground. He paid a very heavy license to government, and that squared all accounts with his conscience."\*

Dr. Thoburn asked a police official why the opium shops were closed at six in the evening. His reply was:—

"They are the worst places in the city; all the thieves hang round such places, and it would never do to keep them open after nightfall."†

---

\* *Lucknow Witness*, Oct. 7, 1881.

† *Ibid.* Oct. 14, 1881.



Perhaps the British Government never committed a crime fraught with more tremendous evils than when it forced opium upon China at the point of the bayonet. The continuance of the present system is the greatest stain upon British honour. Wash it with snow water ever so much, say with Lady Macbeth, "out damned spot!"—there it remains.

The Opium Revenue may be affected in two ways :

1. The Chinese may grow opium themselves\* or it may be grown in other parts of the world. The Portuguese are trying it in East Africa.

2. The conscience of the British nation may be aroused, as in the case of slavery, and declare that the Government connection with it shall cease. Lord Hartington seems to have some anticipation of this kind, for the Indian Government has been directed to estimate the opium revenue considerably below the probable amount.

What is our duty in the matter ?

1. To withdraw from any direct connection with the manufacture of opium.

2. To impose upon it as heavy a duty as it will bear without creating more evil by its illicit cultivation and sale.

3. To contract the area of cultivation as far as possible.

4. To leave the Chinese Government free to deal with the question, if such is not the case at present.

It is impossible to foretell exactly the effects upon the revenue of such a course. It would reduce it—the more the better—but perhaps not so much at first as might be supposed.

The question arises, How is the loss of revenue to be made good ?

The answer unhesitatingly is, though Customs' Duties. But it may be asked, what can the Foreign Trade of India bear ? Dr. Hunter says :—

"No one would have predicted in 1855 that our Indian exports would rise from 20 to close on 70 millions during twenty-five years, and no wise man will now venture to predict the limit of the industrial development of India before the close of this century." p. 82.

The Supreme Government, reviewing the Report of Mr. Caird,† gives the following statistics of the External Trade of India :—

Years.	Imports. £	Exports. £
1856-57	14,194,587	25,338,453
1860-61	23,493,716	32,970,605
1876-77	37,440,630	61,013,891
1877-78	41,464,185	65,222,328

\* Fawcett's Indian Finance, p. 34.

† Report, p. 39.



It will be seen that, in twenty years, the Imports have increased 190 per cent. and the Exports 165 per cent.\*

The trade of India is yet but in its infancy. In 1879, with a population of about 250 millions, she imported British goods to the value of £22,704,682, or at the rate of 1s. 10d. a head. Australia, with  $2\frac{3}{4}$  millions of inhabitants, during the same year imported British goods to the amount of £13,864,514, or at the rate of £6. 0s. 10d. a head.† The richer India becomes, the more will she consume of British manufactures.

When the repeal of the cotton duties was asked during Lord Northbrook's administration, two members of the Bombay Chamber of Commerce, aware that it could not be granted, proposed that an equal tax should be imposed on Native manufactures. This is the just and easy solution of the whole difficulty. Levy an *ad valorem* rate of 5 per cent. and  $3\frac{1}{2}$  per cent. on cotton goods of all descriptions.

This uniform duty would probably be opposed by Manchester, by English merchants in India, and by Indian Spinning Companies. But even in their own interests, it would be best. If the Indian Government had a larger revenue, it might so develop the resources of the country that the demand for English and home manufactures would increase indefinitely.

The objection may be raised that Indian Spinning Companies would be weighted with a duty of 5 per cent. when seeking a market for their goods in China or Africa. This is easily obviated. Let the duty of 5 per cent. be only on goods for home consumption, and refunded in the case of exports.

But the Government of India has not primarily to consult the supposed interests of cotton manufacturers and traders, and it is of the utmost consequence that it should have a revenue easily raised, and growing naturally with the prosperity of the people. Customs' Duties have every possible advantage in taxation.

1. *They are fair.* They are paid by those who use the goods, and though there may be cases of fraud on the part of some importers, probably they are fewer, on the whole, than in any other mode of collecting Indian revenue.

2. *They are convenient.*

3. *They are economical in collection.* This, it must be admitted, holds good only if they are levied generally.

Sir John Strachey, who made such a display of his ability as a financier during the Afghan war, talked magniloquently in one of his budget speeches of throwing the ports of India "open

\* The Returns for 1880-81 give the Imports as £50,308, 834, and the Exports as £71,974,067—exchange at par.

† Whitaker's Almanack for 1881.



freely to the commerce of the world." This was vain-glorious, empty brag. Is India to be thrown open to the wine and spirits of the world? If so, the Indian excise must also go, and the country would be flooded with intemperance. No sane man would think of this. Hence the Customs' Department must be maintained for the duty on intoxicating liquors, in which case, certainly, the income derived would *not be economical in collection.*

4. *They secure a wider distribution of taxation than if it all fell on food.*

5. *Customs, as a rule, are paid by the rich who would otherwise be relieved at the expense of the poor.*

6. *There is neither annoyance nor oppression connected with them. Politically this is of great importance.*

7. *No civilized nation in the world can dispense with Customs' Duties.* England herself, one of the richest, raised through them in 1879-80,  $19\frac{1}{3}$  millions out of  $81\frac{1}{4}$  millions; yet one of the poorest countries in the wide earth is asked to give them up!

*Lastly, The retention of Customs' Duties is imperatively required in view of the loss of the Opium Revenue.*

Though a course of iniquity may apparently prosper for a time, it leads in the end, as Kingsley has pointed out, to poverty and shame. It is to be hoped that Manchester has learned that "honesty is the best policy," and given up the adulteration of goods. But it applies also to the opium traffic. It is killing our legitimate trade with China. As the fell craving spreads and the nation becomes a race of opium-smokers, what demand will there be for British goods?

If English manufacturers truly saw their own interests, instead of clamouring for the repeal of cotton duties in India, they would demand that the Indian Government no longer continue a course infamous in itself, and which will, in the end, bring ruin on all concerned.

Whatever excuses may be offered, the apprehended loss of revenue is the real obstacle. That will come one way or another, and must be faced. Let our sole consideration be to do what is right. As Mr. Gladstone eloquently remarked in his speech on the Irish Land Bill:—"Walking in the path of justice we cannot err. Guided by that light we are safe. Every step made upon our road brings us nearer to the gaol, and every obstacle, though it seems for the moment insurmountable, can only for a little while retard, and never can defeat the final triumph."

II. *Duty to India requires that she be dealt with justly.*

A quotation has been made from the *Economist*, considered a well-informed journal, about the "rich Indian nation." Dr. Hunter says:—



"India was for long in the unfortunate position of a man who is supposed to be richer than he really is. If the British nation had realized the poverty of India, it would have refrained from several acts which now form standing reproaches against England in the native press." pp. 54, 55.

There are 40 millions underfed\* in India. Justice Cunningham thus describes them :—

"Vast multitudes live at almost the lowest level compatible with continued existence; their wants and hopes are limited to the barest necessities of human life. Of the accumulation of wealth, and of the numerous and varied contrivances by which wealth may be increased, they have scarcely an idea: prudential considerations fail to operate where prudence could effect no sensible amelioration, and where life is so miserable that the prospect of a still lower stage possesses but few terrors. Increasing numbers add to the fierceness of the struggle for existence, and to its hopelessness. At last some vicissitude, whose advent was certain, but against which no means of protection have been prepared, sweeps off, wholesale, a crowd of suffering wretches, whose powers of endurance, always tried to the uttermost, have broken down at once under the first additional strain."†

The moral drawn by Dr. Hunter is the following :—

"I hope that this country will realise once and for all the poverty of the people from whom the Indian revenues are raised. When we have clearly recognised this, we shall see that the smallest act of financial sharp-dealing with India, is an act not only of iniquity but of cruelty and meanness, and one which carries with it lasting reproach."‡

A few examples will now be given of the "financial sharp-dealing" of the British Government with India, every one of which, as Dr. Hunter justly remarks, is "an act not only of iniquity but of cruelty and meanness, and one which carries with it lasting reproach."

1. An old parable may be used to illustrate the first which will be mentioned :—

"There were two men in one city; the one rich, and the other poor. The rich man had exceeding many flocks and herds: but the poor man had nothing save one little ewe lamb.

"And there came a traveller unto the rich man, and he spared to take of his own flock and of his own herd, to dress for the wayfaring man that was come unto him; but took the poor man's lamb, and dressed it for the man that was come to him."

The "traveller" is the Sultan of Turkey, who came to England.

\* Hunter's *England's Work in India*, p. 80.

† *British India and its Rulers*, pp. 56, 57.

‡ *England's Work in India*, pp. 56, 57.



A magnificent entertainment was given to him, the cost amounting to about £30,000, and the whole was charged to India!

It is not proposed, with David, that the lamb be restored fourfold, but certainly it should be a "case of conscience" with the British Government whether the actual outlay ought not to be refunded, and this reproach at least wiped away.

2. *The Repeal of the Cotton Duties is an act of injustice to India.*

The creed of Manchester is very short, embracing only one article, "Cotton is King." Every thing exists only to minister to its supremacy. During the American war Mr. Hugh Mason, at a Manchester meeting, said very plainly, "India is cotton, and cotton is India." Since then the case has somewhat altered. India now means a large warren, where people are to be reared to wear Manchester goods.

Cowper asks,

"Is India free? and does she wear her plumed  
And jewelled turban with a smile of peace,  
Or do we grind her still?"

Manchester's inquiry is something very different, "Are our cottons duty free?"

Mill's words are true:—

"The moment a man, or a class of men, find themselves with power in their hands, the man's individual interest, or the class's separate interest, acquires an entirely new degree of importance in their eyes. Finding themselves worshipped by others, they become worshippers of themselves, and think themselves entitled to be counted at a hundred times the value of other people; while the facility they acquire of doing as they like without regard to consequences, insensibly weakens the habits which make men look forward even to such consequences as affect themselves."\*

What is involved in the abolition of the Cotton Duties?

Every Spinning Company in India must pay a license tax; every morsel of food a labourer eats, every particle of salt with which it is seasoned is taxed; an expensive Government has to be supported, an army provided, police maintained, roads constructed, courts established; of all of which Manchester cottons are to reap the benefit and pay nothing! This is certainly "free trade" to Manchester, but is it "fair trade" to India?

But the crowning injustice is that the burden of taxation is thrown still more upon the poor, while the rich are relieved.

3. *The British Government has been repeatedly guilty of "financial sharp-dealing" in connection with the Army Charges.*

England has the most costly army in the world compared with its size. Still, with 40s. a head of taxation the expense

---

\* Considerations on Representative Government, p. 125.



can be met. As already stated, India has only 3s. 8d. a head. Mr. Fawcett thus puts the case:—

“With regard to the army, a partnership has been established between England and India, and as one of these countries is extremely rich and the other extremely poor, much of the same incongruity and many of the same inconveniences arise as if two individuals were to join in housekeeping, one of whom had 20,000*l.* a year and the other had only 1000*l.*...The money which is expended may be judiciously laid out, but if the man with the smaller income finds that he is gradually becoming embarrassed with debt because he has to live beyond his means, it is no compensation to him to be told that he is only called on to contribute his proper share of the expenses. His position would be the more intolerable if he were treated as India was as regards her army, and, after having been compelled against his wish to join the partnership, he is forced to continue it whether he desires to do so or not. In 1861 the English and Indian armies were amalgamated in direct opposition to the strongly-expressed remonstrances of Lord Canning, who was then Viceroy, and of almost every Indian statesman of authority and experience. The Council of the Secretary of State unanimously objected to it, but they were informed that although they could, of course, exercise their right of protest, it would be time wasted, for the amalgamation of the two armies had been made a cabinet question, and was an accomplished fact.

“The description just given of the consequences which may occur if two individuals share the cost of joint housekeeping, fails fully to indicate the position of India with regard to army expenditure. Not only has she been compelled to enter into partnership with England, but, the partnership having been once established, she is obliged to contribute her share towards the expenses of many costly arrangements, as to the adoption of which she was not even consulted.”\*

The net annual income available for the Government of India amounts to 380 millions of rupees. The British Government has contrived to absorb 204 millions—more than half—in HOME CHARGES. It is true that 5 millions sterling interest on railways and 2½ millions interest on debt are included in the total of 17 millions of Home Charges; but making every allowance there seems, *prima facie*, a strong suspicion of “financial sharp-dealing.” This is more than mere surmise. Mr. Fawcett says, “The well-known saying, of one who held a high official position is only too true, that ‘Indian finance has again and again been sacrificed to the exigencies of English estimates.’”†

Justice Cunningham remarks:—

---

\* Indian Finance, pp. 167, 169.

† Indian Finance, p. 70.



"Some economies might possibly be effected in the £215,000 involved in the maintenance of the India Office and its officials; still more in the £1,970,000 paid for 'effective' and the £1,936,000 paid for 'non-effective' military charges. These two items have been continually protested against by the custodians of Indian Finance, and it is hoped that public attention will not be diverted from the subject till either reform has been effected or its impossibility demonstrated."\*

Mr. Laing enunciates the true principle upon which dealings between England and India must be conducted:—

"The day is past when England can consider India as a sort of milch-cow, on whom to draw for a little here and a little there, in order to round an English Budget or ease an English Estimate. Strict and impartial justice must be the rule in all money matters between England and India, if England wishes to get a return for her capital, which will soon amount to £100,000,000 invested in Indian Securities and Railways, and if she wishes to see India become every day more and more the best source of supply for her raw produce and the best market in the world for her staple manufactures."

III. *Duty to India requires every effort to be made for her welfare.*

It was stated in the Introduction that even the very excellencies of British rule in India are creating new evils requiring to be remedied. In former times the population was kept down by war, pestilence, and famine. The *Pax Britannica* prevents the ravages of the first; vaccination, hospitals, &c. reduce the mortality from the second; roads, railways, &c. with the expenditure of millions, alleviate the third. In spite, however, of severe famines, the population increased 12 millions during the last decade: the normal rate is probably much higher.

Dr. Hunter justly says:—

"The principle of *laissez faire* can, in fact, be safely applied only to self-governing nations. The English in India are now called upon, either to stand by and witness the pitiless overcrowding of masses of hungry human beings, or to aid the people in increasing the food-supply to meet their wants." p. 130.

The last severe Famine cost the Indian Government, in actual outlay, 11½ millions sterling. The loss to the people from the failure of their crops and the destruction of their cattle, must have been many fold that large sum. The amount of suffering and sickness, involving an increased mortality of five millions—nearly equal to the whole population of Ireland—is incalculable.

Government wisely appointed a Famine Commission of able men, who went over the country collecting evidence. Their

---

\* British India and its Rulers, p. 151.



recommendations are embodied in a Report, worth its weight in gold. If they were fully carried out, the late Famine would be a blessing in disguise.

The two chief recommendations are the following :—

1. *Means to secure an increased food supply.*

For this an improved system of agriculture is necessary. Sir Richard Temple says that “11 bushels of grain per acre are produced in India compared with 30 in England.”\* Mr. Caird estimates that if one bushel an acre could be added to the produce of Indian fields it would feed 22 millions.

The Agricultural Department, as proposed by Lord Mayo, and again recommended by the Famine Commissioners, should be immediately organised in its integrity.

Dr. Hunter says :—

“It has been my duty to find out precisely what amount of information exists with regard to the agriculture of India; and to compare that information with the facts which the Governments of Europe and America supply on the same points. I have come to the conclusion that no central Government stands more in need of agricultural knowledge than the Government of India, and that no Government has a smaller stock of such knowledge than its central body. I rejoice, therefore, that the Famine Commissioners urge the re-establishment of an Agricultural Department in India.” p. 93.

By a Resolution of the Government of India, a new Department styled, “The Revenue and Agricultural Department” was constituted with effect from the 6th July, 1881. The officer in charge of it was to have the position of a Secretary to the Government of India. His duties are thus laid down :—

“The Governor-General in Council is pleased to direct that all matters connected with the subjects noted below so far as they affect the provinces of British India, shall come under the cognizance of the new Department, *viz* :—

1. Land Revenue, including Settlement and Takavi advances.
2. Surveys, including Geological Surveys, but excluding Archæological and Marine Surveys.
3. Agriculture and Horticulture, including Fibres and Silk, Fisheries, Cattle-breeding and Cattle-disease.
4. Minerals.
5. Meteorology.
6. Famine.”

While it will be some relief to the Home Department to have only twenty (!) subjects to administer instead of twenty-six, the above arrangement cannot be considered satisfactory. *Revenue* is placed first, not *agriculture*. It is a repetition of

---

\* India in 1881, p. 85.



the mistake made by the Secretary of State in the time of Lord Mayo. There ought to be two officers. Both Departments are of the highest importance, requiring the undivided attention of the ablest men available.

2. *The development of other industries besides agriculture.*

About 80 per cent. of the people are directly or indirectly dependent upon agriculture. The Famine Commissioners begin the section of their Report on Manufactures with the following remarks :—

“We have elsewhere expressed our opinion that at the root of much of the poverty of the people of India and of the risks to which they are exposed in seasons of scarcity, lies the unfortunate circumstance that agriculture forms almost the sole occupation of the mass of the population, and that no remedy for present evils can be complete, which does not include the introduction of a diversity of occupations, through which the surplus population may be drawn from agricultural pursuits, and led to find the means of subsistence in manufactures or some such support.”

The Commissioners conclude the section by re-iterating their opinion :—

“To whatever extent it is possible, however, the Government should give assistance to the development of industry in a legitimate manner, and without interfering with the free action of the general trading community, it being recognised that every new opening thus created attracts labour which would otherwise be employed to comparatively little purpose on the land, and thus set up a new barrier against the total prostration of the labour market which in the present condition of the population follows on every severe drought.”

To carry out the recommendations of the Report, a Department of Manufactures and Commerce should be instituted under a competent head.

Cotton spinning has taken such root that it may well be left entirely to private enterprise. Much, however, might be done in other directions to develop the resources of the country, and thus find employment for its starving millions.

IV. *Duty to India requires that she be governed on the principles of Free Trade.*

Protection is not beneficial, in the long run, to any nation. If the whole world formed one customs' union, it would be the best for all. Experience will teach this, though men, blinded by selfishness, may be long in learning the lesson. An interesting experiment is now going on in Australia. There are two colonies, side by side, Victoria, Protectionist, and New South Wales, Free Trader. During a recent visit to the “Island Continent,” I was glad to learn that the confessedly greater progress of New South Wales was making the Protectionists rather



"shaky" about the soundness of their principles. The *Melbourne Argus*, probably the ablest and most influential journal in the Southern Hemisphere, is strongly free trade, and by degrees it may "educate" the Victorians up to its views. As to the ultimate triumph of free trade, there can be no doubt. It is included in the wider prediction of Burns,

"For a' that, and a' that,  
It's comin' yet for a' that,  
That man to man, the world o'er,  
Shall brothers be, for a' that."

Canada is so linked with the Protectionist United States, that she could scarcely adopt free trade principles, even if willing, until a change took place "down south." But let us have, as far as practicable, among all other subjects of Her Majesty, a British Customs' Union—a tariff for revenue purposes only.

As already mentioned, instead of remitting import duties on cotton goods, adopt the simple expedient recommended by every political economist—Impose a corresponding tax on Indian Mills. Let it apply to *every description of goods*, so that no artificial stimulus may be given to the production of classes of goods not wanted.

The same principle might be adopted with other manufactures, as they are developed. The Native Governments had Trade Taxes which would virtually answer the end.

## PART II.

THE MEASURES NECESSARY TO SECURE THE FULFILMENT OF ENGLAND'S DUTY TO INDIA.

It has been urged that Duty to India requires that she be ruled wisely and justly, that every effort be made for her benefit, and that the laws of free trade be observed. The next point of inquiry is, how can these conditions be secured?

I. *India should be governed by men who know her.*

Mill has the following just remarks on the difficulties foreigners have in ascertaining the real feelings and wishes of another people:—

"It is always under great difficulties, and very imperfectly, that a nation can be governed by foreigners; even when there is no extreme disparity, in habits and ideas, between the rulers and the ruled. Foreigners do not feel with the people. They cannot judge, by the light in which a thing appears to their own minds, or the manner in which it affects their feelings, how it will affect the feelings or appear to the minds of the subject population. What a native of the country, of average practical ability, knows as it were by instinct, they have to learn slowly, and after all imperfectly, by study and experience."

Perhaps in no part of the world are the rulers and the governed



separated by loftier barriers than in India. The ablest and most experienced statesmen in this country will be the first to acknowledge the truth of Mill's remarks.

If the difficulties, even here, are so great, what must they be in the way of Englishmen at home attempting to govern India!

Few Secretaries of State have seen India, and from the numerous changes in the political world, they are, not unfrequently, new to office. Mill has the following judicious remarks:—

“There are many rules of the greatest importance in every branch of public business (as there are in every private occupation), of which a person fresh to the subject neither knows the reason nor even suspects the existence, because they are intended to meet dangers or provide against inconveniences which never entered into his thoughts. I have known public men, ministers, of more than ordinary natural capacity, who on their first introduction to a department of business new to them, have excited the mirth of their inferiors by the air which they announced as a truth hitherto set at naught, and brought to light by themselves, something which was probably the first thought of everybody who ever looked at the subject, given up as soon as he had got on to a second.”\*

Is a Secretary of State, then, with probably a very superficial acquaintance with India, able to govern her wisely?

Even a very fair knowledge of the country is not a sufficient guarantee. Mr. James Caird, C. B., is of considerable mental calibre; he travelled all over India; he discussed plans with some of the ablest officers in the country. He says in his Report: “India has occupied my thoughts for the last eighteen months, and I recall the debates in the House of Commons, of which I was a member in 1858, when the transfer from the Company to the Crown was effected.” Mr. Caird's desire for the welfare of India is unquestionable; but one of the heaviest new calamities that could befall the country would be for him to become Secretary of State for India, and be in a position to carry out *some* of his recommendations.†

Mill thus shows the impossibility of one country governing another satisfactorily through a home officer:—

“As it is already a common, and is rapidly tending to become the universal, condition of the more backward populations, to be either held in direct subjection by the more advanced, or to be under their complete political ascendancy; there are in this age of the world few more important problems, than how to organize this rule, so as to make it a good instead of an evil to the subject people, providing them with the best attainable present government, and with

---

\* Considerations on Representative Government. p. 92.

† It is cheerfully admitted that *others* of them are excellent, and might be adopted.



the conditions most favourable to future permanent improvement. But the mode of fitting the government for this purpose, is by no means so well understood as the conditions of good government in a people capable of governing themselves. We may even say, that it is not understood at all.

"The thing appears perfectly easy to superficial observers. If India (for example) is not fit to govern itself, all that seems to them required is, that there should be a minister to govern it: and that this minister, like all other British ministers, should be responsible to the British Parliament. Unfortunately this, though the simplest mode of attempting to govern a dependency, is about the worst; and betrays in its advocates a total want of comprehension of the conditions of good government. To govern a country under responsibility to the people of that country, and to govern one country under responsibility to the people of another, are two very different things."\*

The members of the House of Commons are still more unfit to govern India. Years ago Macaulay said that an inquiry into a row at Covent Garden would excite far more attention among them than the most important question connected with India. Though the government has now passed directly into the hands of the Crown, those supposed custodians of India's interests are, as a rule, still conspicuous by their absence when her affairs are discussed. Even although they were present, it must be confessed that it would not much avail. Macaulay, referring to the trial of Warren Hastings by the Peers, says, "They are all politicians. There is hardly one among them whose vote on an impeachment may not be confidently predicted before a witness has been examined." Much more does to this apply to the House of Commons. Mr. Harrison says, "In practice nine out of ten parliamentary speakers do not mean to convince, and nine out of ten of parliamentary voters do not mean to be convinced, and are incapable of being convinced, and mean to vote, convinced or not."†

Nor can the British people govern India. Mr. Mill justly says:—

"Let any one consider how the English themselves would be governed, if they knew and cared no more about their own affairs, than they know and care about the affairs of the Hindoos. Even this comparison gives no adequate idea of the state of the case: for a people thus indifferent to politics altogether, would probably be simply acquiescent, and let the government alone: whereas in the case of India, a politically active people like the English, amidst habitual acquiescence, are every now and then interfering, and almost always in the wrong place. The real causes which determine the prosperity

---

\* Considerations on Representative Government, pp. 330, 331.

† *The Nineteenth Century*, Sept. 1881.



or wretchedness, the improvement or deterioration, of the Hindoos, are too far off to be within their ken. They have not the knowledge necessary for suspecting the existence of those causes, much less for judging of their operation. The most essential interests of the country may be well administered without obtaining any of their approbation, or mismanaged to almost any excess without attracting their notice." p. 333.

While neither the Secretary of State, nor Parliament, nor the English Nation, can govern India, Mill thus acknowledges the advantages that may be derived from Parliamentary responsibility:—

"The responsibility of the British rulers of India to the British nation is chiefly useful because, when any acts of the government are called in question, it ensures publicity and discussion; the utility of which does not require that the public at large should comprehend the point at issue, provided there are any individuals among them who do; for a merely moral responsibility not being responsibility to the collective people, but to every separate person among them who forms a judgment, opinions may be weighed as well as counted, and the approbation or disapprobation of one person well versed in the subject, may outweigh that of thousands who know nothing about it at all. It is doubtless a useful restraint upon the immediate rulers that they can be put upon their defence, and that one or two of the jury will form an opinion worth having about their conduct, though that of the remainder will probably be several degrees worse than none. Such as it is, that is the amount of benefit to India, from the control exercised over the Indian Government by the British Parliament and people." p. 338.

2. *India should be governed by men who have her interests at heart.*

India may suffer from a *selfish* as well as an *ignorant* policy. The Secretary of State, and, to a less extent, the Viceroy, "look at the matters in hand from the European rather than Anglo-Indian point of view."\* Mill puts it more strongly: "an English Cabinet Minister, who is thinking of English, not Indian politics." Elsewhere he says, "In general, the head of a department of the executive government is a mere politician." Lord Beaconsfield said publicly of the last Afghan war: "This is not a question of the Khyber Pass merely or of small cantonments at Dakka or at Jellalabad. It is a question which concerns the character and influence of England in Europe."† Through the accession of Mr. Gladstone to office, India obtained a grant of five millions out of twenty-three and a half, otherwise probably the whole expense of a war to maintain the "character

\* British India and its Rulers, p. 85.

† Quoted in Fawcett's Indian Finance, p. 111.



and influence of England in Europe," would have been thrown upon her.

The cotton duties afford an excellent illustration of the truth of Mill's remark.

India has had some able men as Viceroys, some distinguished in one way, some in another. She has had no more thoughtful and sagacious financier than Lord Northbrook. Compare the following on the Repeal of the Cotton Duties :—

LORD SALISBURY.

*Thinking of the Manchester vote.*

"The interests of India imperatively require the timely removal of a tax which is at once wrong in principle, injurious in its practical effects, and self-destructive in its operation."

"Measures for the abolition of these duties should have priority over every other form of fiscal relief to the Indian tax payer."

LORD NORTHBROOK.

*Thinking of India's welfare.*

"To substitute direct taxes or new excise duties for the customs' duties which are now imposed upon foreign goods, seemed to His Excellency to be a policy which would be contrary to the interests of the people of India, and which no statesman with a knowledge of India, and a sense of responsibility would be found to propose."

### 3. *India should be governed in India.*

This is a corollary following from the two preceding propositions.

Mill thus describes the past policy of England towards her dependencies, with populations of her own blood and language :—

"Until the present generation, she has been on the same bad level with other countries as to the amount of self-government which she allowed them to exercise through the representative institutions she conceded to them. She claimed to be the supreme arbiter even of their purely internal concerns, according to her own, not their, ideas of how those concerns could be best regulated."

"England was like an ill-brought-up elder brother, who persists in tyrannizing over the younger ones from mere habit, till one of them, by a spirited resistance though with unequal strength, gives him notice to desist."

The change which has taken place is thus described :—

"It is now a fixed principle of the policy of Great Britain, professed in theory and faithfully carried out in practice, that her colonies of European race, equally with the parent country, possess the fullest measure of internal self-government....The veto of the Crown and of Parliament, though nominally reserved is only exercised (and that very rarely) on questions which concern the empire, and not solely the particular colony."\*

---

\* Considerations on Representative Government, pp. 321, 322.



The freedom thus given has occasionally led to some foolish acts; but as to its benefit on the whole, there is not the shadow of a doubt. It has been as advantageous to England herself as to the Colonies. If she had attempted to bully them and tax them as she did the Americans a century ago, there might have been a repetition of the same consequences. Even though rebellions were suppressed by superior strength, there would be hatred to British sovereignty, instead of the loyal feeling which now prevails. Let the young Colonies who think protection best, try it and learn by experience.

Mr Gladstone, in one of his recent Leeds addresses, spoke as follows:—

“Liberal and not Conservative policy has made England respected, and the British Empire strong. If the old Tory policy of governing the colonies in Downing Street had been maintained, the colonies would have been by this time groups of independent states. But Liberal policy freely granted to the colonists the rights they claimed for themselves in the management of their affairs, and the consequence was that these colonies were closely and cordially attached to the name and to the throne of this country. If a day of difficulty or danger should arise, perhaps through this affection they might obtain assistance and advantage that compulsion never would have wrung from them.”

The same liberal policy should be followed with regard to India. Here a loyal and contented people is of far more consequence than in the colonies. Suppose that in some great emergency England had to recall nearly all the European troops, the people, if disaffected, might seize the opportunity to rise against us. On the other hand, India, if loyal, would prove a tower of strength.

The important question arises, how is India to be treated?

Mill says: “One people may keep another as a warren or preserve for its own use, a place to make money in, a human cattle farm to be worked for the profit of its own inhabitants.”\*

Whatever may be thought of it, this is an intelligible policy. But it is not that which has been elected by the British Government in its treatment of India. We have professed to seek the good of the country at all hazards. When Sir Charles Metcalfe granted the liberty of the press in India, he added these noble words:—

“The world is governed by an irresistible power which giveth and taketh away dominion, and vain would be the impotent prudence

---

\* Considerations on Representative Government, pp. 332, 333.



of man against the operations of its Almighty influence. All that rulers can do is to merit dominion by promoting the happiness of those under them. If we perform our duty in this respect, the gratitude of India, and the admiration of the world will accompany our name through all ages, whatever may be the revolutions of futurity."

Lord Northbrook, at the Calcutta University Convocation, quoted the words of the late Lord Mayo: "That whatever may be the effect of the spread of education in India, education was a chief duty of the Government, and that the Government went forward in their work without fear and hesitation."

Either policy may be followed, but they cannot be combined. "Ye cannot serve God and mammon." A nation kept in darkness may be treated simply as a market for goods; it may be sold by its masters as a chattel; but if enlightened, it will claim its rights, and sooner or later obtain them.

England cannot go back, she must go forward. Perhaps the two living men best acquainted with India are Sir Richard Temple and Dr. W. Hunter. The former held some of the highest positions in the Indian Government; the latter is Director of the Statistical Department. Both are moderate and sensible, not led away by crotchets.

Sir Richard says:—

"While developing her own national life, England will find that the educated sections of Native Society are moved by aspirations for self-government and for political representation. Such ideas have been vaguely and tentatively promulgated in former times, but have never before been so fully defined, nor so openly declared, as they are at present.

"Thoughtful Englishmen may remember that self-government among the Natives is one of the goals to which many of the administrative arrangements of India are tending."\*

Dr. Hunter remarks:—

"I do not believe that a people numbering one-sixth of the whole inhabitants of the globe, and whose aspirations have been nourished from their earliest youth on the strong food of English liberty, can be permanently denied a voice in the government of their country. I do not believe that races, among whom we raise a taxation of 35 millions sterling, and into whom we have instilled the maxim of, 'No taxation without representation,' as a fundamental right of a people, can be permanently excluded from a share in the management of their finances." p. 135.

It is fully admitted that India is not yet fit for self-government on exactly the model of Australia. The following remarks by Mill are just:—

---

\* India in 1880, pp. 126, 127.



"Institutions need to be radically different according to the stage of advancement already reached. The recognition of this truth, though for the most part empirically rather than philosophically, may be regarded as the main point of superiority in the political theories of the present above those of the last age; in which it was customary to claim representative democracy for England and France by arguments which would equally have proved it the only fit form of government for Bedouins or Malays."\*

Changes in a great country like India should not be too rapid. The South American republics teach us a lesson. *Festina lente* should be the maxim.

"Change that broadens slowly down from precedent to precedent."

Even with regard to Municipal Government there are difficulties. If a European executive officer presides, in many cases he acts as dictator. Sir George Clerk says, "When left to themselves the Native members do nothing at all, except, perhaps, providing for some of their needy relatives." However, with the spread of education and enlightenment, things are ripening. The Presidency Municipalities have Native members who can hold their own, and take a very sensible part in the proceedings.

Already some progress has been made in the direction proposed. Dr. Hunter says:—

"The legislative councils of the Imperial and Local Governments have each a Native element in their composition, which although nominated, is fairly chosen so as to represent the various leading classes of the people. Thus of the ten members of the Bengal Council, three are covenanted civilians, one is a crown lawyer, two are non-official Europeans, and four natives." p. 134.

Justice Cunningham suggests that the Councils should be strengthened by restoring the judicial element. The number of Native members might also be gradually increased.

The British House of Commons has not proved itself, in the capacity of a legislative machine, as the "perfection of human wisdom," that we should seek to give India a similar organisation. Good acts are best drawn up by a few competent men. It is well, however, that they should have a wide expression of opinion before them. Draft bills might be officially sent for criticism to the Chambers of Commerce, to such bodies as the British Indian Association, and to the principal Municipalities. Suggestions offered might be taken into careful consideration.

Mysore, in South India, was recently placed under its Maharaja, on his attaining his majority. The following is a short notice of the first meeting of the "Mysore Parliament":—

---

\* Considerations on Representative Government, p. 36.



"In the annals of Mysore, the 7th of October, 1881, will be a very memorable date, full of pleasant and proud associations to the people; for it was on that day, two hundred representatives (rich landholders and merchants) selected by the local Government from every Taluq of the Province, assembled in Mysore by command of His Highness to hear from the Dewan a report of the Administration of the past year and an outline of the measures to be carried into effect in the coming year, and to offer any observations and suggestions on matters of real public interest. The meeting was held in one of the grandest halls of the town. The Dewan, the Councillors, and some of the most important officers of the State were seated on a raised platform; all the representatives were seated in rows in front of them; the sides were taken up by officers and other respectable visitors. The grand and imposing appearance of the meeting induced many a mind to compare the meeting with that of the English Parliament held some hundred years ago, when the first foundation of Parliamentary Government was laid in England.

"The Dewan, Mr. C. Rangacharlu, C. I. E., who, as is well known, has had no small influence in organising the native Government, opened the proceedings by reading a report of the Administration in English; which was followed by the reading of the same, translated into Kanarese. On the second day two sittings were held to allow the representatives to express their views.

"The Dewan shrewdly observes: 'The old idea that India must confine itself to the growth of agricultural produce is giving way to the more correct theory that no country can prosper unless its agricultural and manufacturing industries were equally fostered.' This view of an important economical question has great following in America, and is gaining ground in England. J. S. Mill has also observed that a large town population engaged in industries is the great want of India."\*

Dr. Hunter justly deprecates the manufacture at present of paper constitutions for India. Arrangements may be left to develop themselves as experience dictates.

A few changes are necessary if India is to be made, to some extent, self-governing.

### 1. *Limitation of the Power of the Viceroy.*

Mr. Fawcett thus describes a recent case in which Lord Lytton overruled his Council with regard to the Cotton Duties:—

"A majority of the members of Council of the Viceroy were opposed to the reduction of these duties, and it has been maintained on high legal authority that under these circumstances the Viceroy, in overruling the majority of his Council, put a very strained interpretation on the legal power conferred upon him. The legal member of the

---

\* A Correspondent in the *Hindoo Patriot*, Oct. 24, 1881.



Council of the Viceroy may be considered the highest legal authority in India, and the present holder of that office, Mr. Whitley Stokes, referring to the course taken by the Viceroy with regard to the reduction of the Cotton Duties, used the following words:—"The proposed exemption of cotton goods, if made by a mere executive order, will thus resemble what lawyers call a fraud on the power; and there is, unfortunately, no Court of Equity to relieve the people of India against it."\*

On the other hand, Justice Cunningham contends that "in 1870 (33 Vic. c. 3. s. 5) the right of the Viceroy to over-rule his Council was re-affirmed, and the conditions of the exercise of the right prescribed."†

At all events, legal or not, the right has been exercised, and at present the people of India have no "Court of Equity" for their protection.

Goldwin Smith says of the Governor-General of Canada: "He comes to the country ignorant; during his stay he is protected from the approach of truth almost as effectually as any king, and when his term of five years is over, his responsibility vanishes with the smoke of the parting salute."‡ An Indian Viceroy labours under still greater difficulties among Hindus and Muhammadans. Where he differs from his Council, which is composed of some of the ablest and most experienced men in India, European and Native, their opinion is much more likely to be correct than his.

It is true that a Governor-General like Lord Lytton has been exceptional, but such a contingency requires to be provided against. The only effectual safeguard is to give the Viceroy simply a veto, somewhat like the American President.

When waiting for an answer to a Despatch involved a delay of eight months, there might be some reason for making the Government of India virtually a despotism: there is none now.

## 2. *Limitation of the Power of the Secretary of State.*

This is much more necessary than in the foregoing case. The Viceroy is little more than what Lord Elgin said in jest he was, the Secretary of State's Head Clerk. The Cabinet Minister is supreme. He may send out any instructions he pleases, with only *sic volo, sic jubeo, sic jusso*. The peremptory orders of Lord Salisbury with regard to the cotton duties are an instance. By placing them in the "Secret Department," his Council may be kept in entire ignorance.

It is true that the Council of India was intended to have the

---

\* Indian Finance, pp. 11, 12.

† British India and its Rulers, p. 61.

‡ Contemporary Review, Sept. 1881



same control over the Secretary of State which the House of Commons has over the Ministry, but Mr. Fawcett will show the actual state of things :—

Lord Salisbury said :—

“In reference to every question in which expenditure is involved—that is to say, as you well know, in reference to every question of every kind, because I believe there is hardly any question in which expenditure is not involved, directly or indirectly—the Indian Council have the power of absolute and conclusive veto, by a bare majority over the decision of the Secretary of State.” Lord Salisbury, challenged to prove the accuracy of this opinion, re-affirmed it in the most positive manner, and said, that he arrived at this interpretation of the Act of 1858 after consulting the very highest legal authority, who, as subsequently appeared, was Lord Cairns. On the other hand the Duke of Argyll maintained that in arriving at exactly the opposite opinion he was supported by the Law Officers of the Crown.....Commenting on these differences of opinion, Lord Salisbury maintained that it was imperatively necessary, where such vast interests were at stake, that the law should be unmistakeably clear, and said that ‘about the doubtfulness of the law there could be no doubt whatever. When the Lord Chancellor said a thing was black, and two ex-Chancellors said it was white, there must be some doubt about the law.’”

Mr. Fawcett adds :—

“A striking example of the consequences that may be produced by leaving the law in such a state of uncertainty is afforded by an event which has recently happened. Lord Salisbury and Lord Cairns, having, as has just been shown, expressed a decided opinion that ‘in reference to every question in which expenditure is involved...the Indian Council have the power of absolute and conclusive veto by a bare majority over the decision of the Secretary of State,’ are members of a Cabinet which adopted a ‘forward’ frontier policy in India, involving an expenditure of millions, not only without the consent of the Council being obtained, but without the matter being brought within their cognizance.”\*

Elsewhere Mr. Fawcett has the following remarks :—

“No one can reasonably desire that the English Parliament should perpetually meddle in the details of Indian Administration. It should, however, never be forgotten that when the East India Company was abolished, the English people became directly responsible for the Government of India. It cannot, I think, be denied that this responsibility has been so imperfectly discharged, that in many respects the new system of Government compares unfavourably with the old. Figures have already been quoted to show to what a remarkable extent the cost of administration has increased since the East India Company was abolished. There was at that time an inde-

---

\* Fawcett's Indian Finance, pp. 9—11.



pendent control of expenditure which now seems to be almost entirely wanting. It was, no doubt, intended, when the Government of India by the Act of 1858 was transferred from the Company to the Crown, that the Council of the Secretary of State should exercise the same control over Indian expenditure, as had formerly been exercised by the Directors of the Company and by the Court of Proprietors. But gradually the influence and control of the Council have been so completely whittled away that it is now openly declared by a Secretary of State that he can spend the revenues of India, beyond her frontiers, without obtaining the consent, or even bringing the subject under the notice, of his Council. Whether or not the power thus claimed is really conferred upon him by the Act of 1858, and by Acts which have subsequently been passed, raises questions which I cannot attempt to enter upon here. The whole subject, however, of the inadequacy of the control now exercised on the expenditure of the revenues of India, is one that urgently demands the most careful investigation. Nothing can be more unsatisfactory than the present state of things. When the Secretary of State desires to avoid responsibility, he can shelter himself behind his Council; when he desires to act, untrammelled by their control and unhampered by their advice, he can ignore them as completely as if they did not exist." pp. 70, 71.

The conclusion drawn by Mr. Fawcett and the course which he recommends are as follows :—

“ When considering in the following pages the causes which have made the present financial condition of India so unsatisfactory, numerous instances are adduced which, I believe, conclusively show that there is little hope of effecting any real and permanent improvement in her finances, unless some more adequate financial control is provided than that which is furnished by the present system of administration. As previously stated, the two bodies in whom this control was chiefly vested have, through the uncertainty of the law and other circumstances, been gradually deprived of much of the power which it was supposed they could exercise. If a Viceroy in a period of severe financial pressure can sacrifice an important branch of revenue in direct opposition to the wishes of a majority of the Council; if a Secretary of State can decide upon a policy which will involve the outlay of millions, and free himself, not only from the control, but from the criticism of his Council by availing himself of the undefined powers which are vested in him of placing the despatch which orders the expenditure in the secret department—it is at once obvious that the control which these two Councils can exercise is most inadequate. Few problems in government can be more difficult than to devise the best means by which this control can be supplied. It is a problem which can only be properly solved after the most careful inquiry, which will enable due consideration to be given to the opinions of those who can speak with the greatest authority and experience. Although therefore it would now be premature to attempt to indicate the changes which should be introduced into the Government of India, no one, I think,



can deny that events are every day happening which show that the reform of her administration is a matter of such urgent importance that an enquiry as to the best means of affecting it ought to be one of the first objects to engage the attention of the new Parliament."\*

### 3. *Preparation of a new India Bill.*

Mr. Fawcett has conclusively shown the necessity of defining more clearly the powers of the Viceroy and the Secretary of State. Although the sanction of Parliament is necessary, that would probably be readily given to any well-devised measure. There are at present exceptional facilities for its preparation. England has seldom had a Cabinet in whose members more confidence could be placed.

The Prime Minister is our political knight, *sans peur et sans reproche*. Like many others, he has modified some of his early opinions, but from youth to age it may be said of him as was said of the "Great Duke,"

"Who never sold the truth to serve the hour,  
Nor palter'd with Eternal God for power."

His recent Herculean efforts on behalf of our unhappy Sister Isle, have been watched with eager interest by every true-hearted Englishman. India, however, has her claims to justice as well as Ireland.

Next, perhaps, to his high character, Mr. Gladstone deserves our admiration as an unrivalled financier. When during the Afghan War, "great swelling words of vanity" were uttered regarding the monetary capabilities of India, he was able to expose the delusion. There is now a far greater crisis in India's financial history. If any person proposed to the Chancellor of the Exchequer that he should give up the customs' revenue, very probably Mr. Bright's favourite term would suggest itself. But this is the course to which things are tending in India—not for her advantage, though such is the plea—but in the supposed interests of English manufacturers.

India especially requires the benefit of Mr. Gladstone's financial wisdom in view of the diminished revenue from opium. A recent telegram states that a very influential deputation waited on him about the opium question, and before long the difficulty must be faced. It has already been suggested that the customs should be the chief source to make good the deficiency.

Lord Northbrook's personal knowledge of India would be most valuable. Mr. Fawcett, both as a political economist and as one who has deeply studied India's wants, would be another admirable counsellor. Lord Hartington, though new to office, has

---

\* Indian Finance, pp. 15, 16.



already mastered many of its numerous details. A law officer would also be necessary. Such a *panchayat*,\* during a few days' quiet at Hawarden Castle, could draft a bill to meet India's requirements which could easily be carried through Parliament.

What is chiefly wanted is to remove India from the arena of political strife, by giving her a modified form of self-government. The existing Indian Government might form the nucleus, with power to develop as experience dictated. Before it shall be said of William Ewart Gladstone, *abiit ad plures*, may his Administration have the honour of first conferring such a boon on any country of the Asiatic Continent.

It would naturally fall to the Secretary of State for India to introduce such a "self-denying ordinance;" but the welfare of his charge would form an ample compensation for the loss of power which it entailed.

It may be asked, would the interests of the Natives of India be sufficiently protected? Yes, far better than at present. Indeed, to secure this, is the chief object of the proposal. Englishmen in India are not Transvaal Boers, and even if they were, there is no danger of their being permitted to act like them.

The just claims of England would also receive due consideration. In a "strange land," that "precious stone set in the silver sea," shines with peculiar radiance, and is regarded with somewhat the same feelings which made the ancient Jews say, "If I forget thee, O Jerusalem, let my right hand forget her cunning."

The Government of India may be safely trusted to do even-handed justice to all. There have been, it is true, proceedings of individual officers to be condemned, and, as in the case of the cotton duties, even isolated acts by the Viceroy which are indefensible; but, as a whole, the administration of the Governor-General in Council will bear comparison with that of any country in the world. I have watched its action for nearly a life-time, and can bear unhesitating testimony to its merits, when not overruled from England.

The Queen would, of course, have a veto upon all legislation by the Indian Government, which would be an additional safeguard.

#### *The Home Council.*

This body includes some of India's ablest and most experienced men. There may be stray cases of members who are "any

---

\* The Indian name for a council of five—a favourite number in such cases.



way the wind blows ;” but, as a rule, all know the wants of India, and seek her prosperity.

It would be a great loss to India if the Council were abolished, even although self-government were conceded. There are many questions on which the opinions of its members are of much value. But, perhaps, the most important duty of the Council is to scrutinise Home Charges. As already mentioned, these absorb at present more than half the net revenue of India, and they have a great tendency to grow. Mr. Fawcett says :—

“No subject connected with Indian finance demands such prompt and anxious attention as the enormous and increasing burden which is thrown upon India by her military expenditure. I have already referred to the fact that, even in a time of peace, the cost of the army to India is upwards of 17,000,000*l.* a year, 45 per cent. of her entire net revenue of 37,500,000*l.* being thus absorbed. It seems moreover that no limit can be placed to the extent to which India may not be exhausted by this drain on her resources. In the financial statement of 1878, allusion was made to the significant fact that the cost of the army being at that time more than 17,000,000*l.*, had increased by upwards of 1,000,000*l.* since 1875-76, and that a large part of this increase was in the expenditure recorded in the home accounts.”\*

Bad as things are at present, they would have probably been much worse except for the Council of India. A thorough investigation, by a competent Commission, of the Army Charges is especially desirable.

#### THE INDIAN CIVIL SERVICE.

A few remarks may be offered under this head, as it has a very important bearing upon the destinies of India.† Nearly every member of the Service, before the end of his course, will, either as a civil administrator or in a judicial capacity, preside over a district as populous as Wales; a considerable number, as Commissioners, will govern as many as the Lord Lieutenant of Ireland; while a few will rule territories as populous as France or Austria. If every single man will have so much influence, how grave a question must be the training of the whole!

Mr. Caird, in his Report, recommends that there should not be any privileged Civil Service, but that, except for the legal branch, officers selected from the army should be chosen. Any such change would be most disastrous to the interests of India. On the contrary, the circumstances of the case require more than ever a highly-trained special service.

---

\* Indian Finance, pp. 39, 40.

† The writer does not here profess to give “Native Public Opinion.”



In olden times, Civilians were regarded almost as "mortal gods on earth." Now, Indian B. A's and M. A's are disposed to measure themselves with the "heaven-born," and sometimes to claim superiority.

The present race of Civilians are considered good office men. The chief fault found with them is that, with some noble exceptions, they do not take the same interest in the country as their predecessors of the old *regime*. Caird says, "Everywhere the most common complaint is that they hold too much aloof from the people." Two or three reasons partly account for this.

When communication with England was tedious and uncertain, Civilians felt, to a large extent, that India was their home. The ties that bind them to their native land are now strengthened by daily telegrams and weekly mails, exciting the feeling,

"Better fifty years of Europe than a cycle of Cathay."

Another cause of lack of interest is the increase of routine work. In former days Civilians were not kept so much at the desk, and were more free to mix with the people.

There will always be some selfish men upon whom no course of training will have much effect. It seems possible, however, to adopt measures which will promote the efficiency of the Service as a whole. Steps have already been taken in the proposed direction. All that is needed is to make a further advance.

One means of leading Civilians to take more interest in India is to increase their knowledge of the country. Mr. S. Laing, an admirable Finance Minister, thus explains why some dislike India, and describes his own experience:—

"An interest in India is the *sine qua non* of success in an Indian career. Without it, life is a dreary banishment, burdensome to its owner, and only too often mischievous to those around. In the public service the Queen's hard bargains are those who are too dull or frivolous to feel any real interest in the glorious work before them, and who, instead of cultivating the natural history, the geography, the geology, or even the field sports of the country, and studying the languages, the character, the history, and antiquities of its people, like the many Anglo-Indian heroes who have immortalized the service, can find no better mode of passing their leisure time than in drinking bitter beer, and grumbling at India. Of such, if there be any, I can only say that I heartily wish we could pass them on like bad shillings, and send them to drink their beer and bewail their hard fate at the antipodes.

"Even in the line of private enterprise, I suspect it will be found that the man who succeeds best is generally the man who likes the country, and who understands and sympathizes with the natives.



Now I think a knowledge, however slight, of such facts as I have endeavoured to give the merest outline of to-day, can hardly fail to increase the interest of every Englishman in India. I know that it has increased my own interest in it immensely, and that a smattering of Indian history, ethnology, and philosophy, picked up long before I had the remotest idea of ever visiting India, have often been of the greatest service to me."

Professor M. Williams says:—

"Of course ignorance is associated with indifference. I stayed in India with an eminent Indian Civilian who had lived for years quite unconsciously within a few hundred yards of a celebrated shrine, endeared to the Hindus by the religious memories of centuries. Another had never heard of a perfectly unique temple not two miles from the gate of his own compound."\*

A better acquaintance with the languages, history, archæology, and religions of India would help to secure the end in view. Both Oxford and Cambridge now afford excellent facilities for such studies.

Another measure, to which things are tending, is still more important—that a highly paid European agency should be employed only where it is necessary, and in the way in which it can be turned to best account.

There are many duties which Natives can discharge as efficiently as, or more efficiently than, Europeans at a much less cost. They are especially fitted for the Judicial Department. Warm testimony has been borne to their merits, even as Judges of the High Court.

Dr. Hunter says:—

"Fifty years ago, the Natives of India were not capable of conducting an administration according to our English ideas of honesty. During centuries of Mughal rule, almost every officer was paid by fees, and every official act had to be purchased. It is difficult to discriminate between fees and bribes, and such a system was in itself sufficient to corrupt the whole administration. It has taken two generations to eradicate this old taint from the Native official mind. But a generation has now sprung up from whose minds it has been eradicated, and who are therefore fitted to take a much larger share in the administration than the Hindus of fifty years ago." p. 118.

While Natives should be employed as largely as possible, there are cases in which Europeans have an undoubted superiority, as in putting down an *emeute*. They have also a more independent position, as being neither Hindus nor Muhammadans. Lord Dalhousie wrote in his last Minute:—

---

\* Modern India, pp. 354, 355.



"No prudent man, who has any knowledge of Eastern affairs, would ever venture to predict the maintenance of continued peace within our Eastern possessions. Experience, frequent, hard, and recent experience, has taught us, that wars from without, and rebellion from within, may at any time be raised against us, in quarters where they were the least to be expected, and by the most feeble and unlikely instruments. No man therefore can ever prudently hold forth assurance of continued peace in India."

The truth of these words was signally confirmed by the Mutiny under his immediate successor.

India is a slumbering volcano which may burst forth at any moment. There are already symptoms of a revival of old feuds between Hindus and Muhammadans.\* The animal worship of the ancient Egyptians prevails to some extent among the Hindus. The cow is an object of special reverence, while the Muhammadans eat beef like ourselves. Only a few weeks ago, at one of the principal cities in the Punjab, a large military station, a serious riot took place from the exposure of beef. The Hindus destroyed a celebrated mosque, while the Muhammadans retaliated by pulling down Hindu temples. A fanatic of either religion may at any time set a province in a blaze. We may even do it ourselves in our ignorance of native feeling. The new cartridges, supposed to be greased to destroy the caste of the sepoys, were undoubtedly the *immediate* cause of the Mutiny.

It is desirable for every District to have two European Officers—a Collector and Assistant. One might thus always be at headquarters.

Sir Richard Temple, referring to educated Natives, says, "They are already raising a cry louder and louder, the purport of which is India for the Indians."† Formerly they were thankful for the lowest offices; now the *ignorant* claim even the highest. A Native asks, "Where is remuneration for the Bengalees? Why are they not made Governors? Commanders of armies? and Admirals of navies? Why don't they find admission into the ranks of the Civil Service in large numbers, and why are they not made equal to the English in all respects?" A Native journal gravely recommended that a well-known Sanskrit pundit should be appointed Lieutenant-Governor of Bengal in succession to Sir William Grey!

It is possible that well-meaning men at home may advocate the appointment of Natives to all positions in the Civil Service.

---

\* The *Hindu Patriot* has the following: "According to all accounts the feeling between the Hindus and the Muhammadans in Northern India is by no means of a pleasant character. If it be not reconciled in time, it may lead to fearful consequences." Oct. 17, 1881.

† India in 1880, p. 136.



Let this be done when it can with safety to the country, but not till then. The Queen's Proclamation contains the words :—

“And it is our further will that, so far as may be, Our Subjects, of whatever Race or Creed, be freely and impartially admitted to Offices in our Service, the duties of which they may be qualified, by their education, ability, and integrity, duly to discharge.”

The Proclamation is conditional, and a Native Civilian, especially a *Bengali* Civilian, has not the “ability” to head an armed party of police to put down a riot or to defend his bungalow against attack like a European.

The Government of India, when reviewing Mr. Caird's Report, justly remarked :—

“Exclusive of Mysore and Berar there are 215 districts in British India, each containing an average population of about 900,000 people. If the numbers of European Civil servants are hereafter reduced to 571, this total will barely supply two British officers for each district, besides providing for absentees and occupants of superior offices....In our opinion the scheme could not be extended more rapidly without detriment and danger to the State.”

The Collector and his Assistant should be relieved, as much as possible, from routine work, and be free to move about the district. One important part of their duties should be to promote the “material” well-being of the people. To enable them to do this, they should have a special training, somewhat like that suggested in the Famine Commission Report for the Agricultural Department, but not quite so minute. The *petite culture* of France and Belgium might be examined on the spot. Some acquaintance should also be obtained with the leading manufactures which should be fostered in India.

Such a course of training would probably require four years, but this would be an advantage. From their superior knowledge, Civilians would command more respect on their arrival, while they would have less of the youthful conceit which sometimes makes them an object of quiet ridicule to the people.

Even after landing in India, the first year might be very profitably spent in the study of the vernacular, the geology, botany, agriculture, and manufactures of the Presidency. The Government Museum, the Agricultural and Technical Colleges should have frequent visits. Home ideas would thus be corrected where necessary, and Civilians would better understand how they could co-operate in developing the resources of the country. Some knowledge of the people would also be gained,—an important preparation for office.

Men with such a training and able to move freely about,



could benefit their districts in many ways. Thus the "enthusiasm of humanity" would be cherished where there were any existing germs. A foreign rule would be rendered less distasteful to the people, and, in any case, we should have better fulfilled our duty.

Caird rightly says with regard to Civilians: "They should remain in their stations long enough to obtain a personal knowledge of its leading people, and an interest in its welfare." At present officers, in some cases, are moved about with great recklessness, and in utter disregard of the language with which they are acquainted.

While the number of Europeans should not be larger than is necessary, it is essential that they should be the best that can be had. Inferior officers on lower pay would not be any gain to India. The present salaries are not too high for men of the ability required.

The Viceroy ought certainly to be from home. Justice Cunningham recommends that the Governors be selected from Civilians.\* Mill mentions objections to this; but, on the whole, the advantages preponderate. There is now so much intercourse with Europe, that Civilians do not fall behind the age, as was often the case in former times.

#### INDIA'S FUTURE.

The future of a child depends very much upon his upbringing. He may be trained to become either a blessing or a curse to himself, his parents, and all around him. England and India have at present somewhat the same relationship, attended with the same consequences.

By whatever means our Indian Empire may have been originally acquired, it must now be regarded as a sacred trust to be administered for the welfare of its people.

"There's a divinity doth shape our ends,  
Rough-hew them how we will."

The greatest calamity that could happen to India at present would be our withdrawal from the country. Immediately, there would be a contest between Hindus and Muhammadans for supremacy, and the country would become a field of blood.

Next to this the worst thing that could befall both India and ourselves would be for us to govern her with blind selfishness.

It was the belief of the Greeks and Romans that the interests of nations were directly opposed, and this doctrine still prevails to a large extent. It is as short-sighted as it is contemptible.

---

\* British India and its Rulers, p. 83.



A French king once asked a traveller about a country in the East which he visited. His reply was, "Sire, it produces nothing, and consumes nothing." Provided no artificial barriers are thrown in the way by hostile tariffs, the richer two nations are, the greater will be the amount of trade between them.

What are the present circumstances of India?

The country is nearly half the size of Europe, and contains a population of 250 millions. One part is so barren as to be called *Marusthal*, the "Region of Death;" several tracts, now desert wastes, might be irrigated; most of the country has a soil capable of yielding fair returns; some of the river valleys might rival the delta of the Nile in fertility.

The average produce of the fields is only about one-third that in England. This is not surprising, when the farmer ploughs with what is little better than a crooked stick, and uses his manure as fuel. The people, though naturally intelligent, are sunk in ignorance, only one per cent. being under instruction. Until the beginning of this century, there was probably not a mile of metalled road in the country. The first portion of railway was opened in 1853. As far as the revenue allowed, progress has been made in providing means of communication. The importance of these in times of famine is incalculable. It often happens that while one province suffers from scarcity, the adjoining one has an abundant harvest. Grain, however, cannot be transported for hundreds of miles on pack oxen. On this account formerly the deficiency in one province could not be supplied by the surplus stock in another.

Though roads and railways are both necessary, the latter have a great advantage in times of famine. During the last Madras visitation, the severest in South India for the last century, the mortality, large as it was, would have been far greater had there not been a line of railway through the famine tract. Still, even in this case, there was great difficulty in distributing the grain on either side, as the bulk of the cattle had died, and few could be obtained for carts.

To show how much yet requires to be done in providing railways, it may be mentioned that a person might travel along the coast from Madras to Calcutta, a distance of nearly a thousand miles, without crossing a single line. If he went inland to strike one, the average distance he would require to travel would be about three hundred miles.

A few of the Natives of India are wealthy; many have fairly comfortable means of support; but there are forty millions just above starvation point, often with little more than the merest shred of clothing for the sake of decency.

As already mentioned, while the British Government has 40s.



a head of revenue, the Indian Government has only 3s. 8d. Considering the means, it is wonderful how much has been done. Still, as has been shown, vastly more remains to be done.

Suppose the Indian Government could so improve the agriculture as to double the present produce; if roads and railways could be provided for the better distribution of the larger crops; if the wants and tastes of the people could be raised by education; it is evident that even if England had nothing but selfish ends in view, this would be the best course. The demand for British manufactures would increase proportionately.

But what has been the policy of the Home Government for the last few years? For the sake of the Manchester vote, the Indian Government has been compelled to remit import duties which were unfelt, and to impose new unpopular taxes, involving the necessity of maintaining a larger military force than would otherwise be necessary, to keep down insurrection. The words of Lord Canning to Mr. Laing may be quoted again: "Danger for danger he would rather risk governing India with 40,000 European troops, without new taxes, than with 100,000 with them."

The course taken has been emphatically condemned by Lord Northbrook as "a policy which would be contrary to the interests of the people of India, and which no statesman with a knowledge of India and a sense of responsibility would be found to propose." Mr. Fawcett, in his *Indian Finance*, and Dr. Hunter, in *England's Work in India*, expressed the same opinion; yet the course has been persisted in, and this re-statement of their views may be alike unsuccessful.

As already explained, the cotton duties are levied on fine goods, worn by the comparatively wealthy. The chief complaint regarding Indian taxation is that it falls with crushing severity upon the poor, while the rich are largely exempt. The inequality, so great at present, will be increased in the *supposed* interests of English manufacturers.

It is the same old sad story. Of the history of the poor, as of the prophet's roll, it may be said there is "written therein, lamentations, and mourning, and woe."

"So I returned and considered all the oppressions that are done under the sun; and behold the tears of such as were oppressed, and they had no comforter; and on the side of their oppressors there was power; but they had no comforter."

Though such may be the case at present, and we are led to cry, "How long, O Lord!" it shall not be so always. There will yet be a "reign of righteousness."

While some in England, for selfish ends, would "bind heavy burdens" on the poor of India, there are others who take a very



warm interest in her welfare. No foreign country has commanded the same benevolent effort. And she well deserves it all. Her inhabitants form one-sixth of the earth's population—a number greater than ever acknowledged the sway of Imperial Rome. They are subjects of the same gracious Queen; bone of our bone; flesh of our flesh; toiling, struggling, fainting like ourselves in the battle of life. Wave after wave of invasion has swept over their country; they have been crushed under the heel of the oppressor; sometimes the heaven that is over them is brass, and the earth that is under them is iron, and millions lie down to die.

Although it is the noblest benevolence to do good to those who are sunk so low as not to be able to requite us even with gratitude, on the other hand, there is a pleasure when we see our efforts appreciated. The people of India have their failings like all of us; they are generally ignorant, and sad experience has taught them to distrust strangers; but, if treated wisely and kindly, none are more docile and loving.

This Letter, addressed to the Secretary of State, dwells mainly on self-government in the political sense. There is a far higher liberty which no earthly power can give—freedom from the bondage of error and sin. This glorious work is now advancing. “Thus saith the Lord, even the captives of the mighty shall be taken away, and the prey of the terrible shall be delivered.”

“India in transition,” it is true, is the scene of a desperate struggle. The Powers of darkness have mustered their legions. The Vices as well as the Virtues of civilization are in the field. Eastern Superstition finds a cordial ally in Western Atheism. But, though the contest may be long and sore, Truth and Righteousness, under the banner of the “Captain of salvation,” will at last prevail.

The natural sun of India makes her day one of surpassing splendour, but she has long been enveloped in spiritual night, deepening since she left the common Aryan home. A change, however, is going on. The light of the Sun of righteousness reddens in the horizon, and it will shine more and more unto the perfect day. Milton's noble words have already been applied to the people of India\* :—

“Methinks I see in my mind a mighty and puissant nation rousing herself like a strong man after sleep and shaking her locks. Methinks I see her, as an eagle, renewing her mighty youth, and kindling her undazzled eyes at the full midday beam; purging and unsealing her long abused sight at the fountain itself of heavenly radiance, while the whole tribe of timorous and flocking birds, those who love the twilight flutter about amazed at what she means, and in their envious gabble would prognosticate a year of scorn.”

---

\* Justice Cunningham's Convocation Address.











